

NATURAL RESOURCES

Budget Summary							
Fund	2016-17 Base Year Doubled	2017-19 Governor	2017-19 Jt. Finance	2017-19 Legislature	2017-19 Act 59	Act 59 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$221,443,800	\$218,860,600	\$218,947,900	\$218,947,900	\$218,947,900	- \$2,495,900	- 1.1%
FED	163,290,800	162,635,000	162,635,000	162,635,000	162,635,000	- 655,800	- 0.4
PR	71,793,200	63,028,400	63,028,400	63,028,400	63,028,400	- 8,764,800	- 12.2
SEG	<u>667,900,200</u>	<u>652,125,400</u>	<u>651,453,200</u>	<u>651,453,200</u>	<u>651,453,200</u>	<u>- 16,447,000</u>	- 2.5
TOTAL	\$1,124,428,000	\$1,096,649,400	\$1,096,064,500	\$1,096,064,500	\$1,096,064,500	- \$28,363,500	- 2.5%
BR		\$12,900,000	\$13,850,000	\$13,850,000	\$13,850,000		

FTE Position Summary						
Fund	2016-17 Base	2018-19 Governor	2018-19 Jt. Finance	2018-19 Legislature	2018-19 Act 59	Act 59 Change Over 2016-17 Base
GPR	230.02	223.52	223.52	223.52	223.52	- 6.50
FED	479.84	466.84	466.84	466.84	466.84	- 13.00
PR	243.89	242.89	242.89	242.89	242.89	- 1.00
SEG	<u>1,595.35</u>	<u>1,572.35</u>	<u>1,566.35</u>	<u>1,566.35</u>	<u>1,566.35</u>	<u>- 29.00</u>
TOTAL	2,549.10	2,505.60	2,499.60	2,499.60	2,499.60	- 49.50

Budget Change Items

Reorganization

1. DEPARTMENT REORGANIZATION [LFB Paper 455]

Governor: Make numerous changes, primarily to appropriations, related to the reorganization of the Department of Natural Resources (DNR).

The provision would not have any net effect on overall appropriation levels in the 2017-19 biennium. Rather, the following sections describe: (a) statutory changes the bill would make to budgetary programs and appropriations created in Chapter 20 of the statutes; and (b) changes to budgetary subprograms, which the agency uses to further delineate expenditures in specific

departmental program areas.

Fish, Wildlife and Lands Programs

Change the title under section 20.370(1) of the statutes from "Land and Forestry" to "Fish, Wildlife, and Parks" and change the title under section 20.370(2) of the statutes from "Air and Waste" to "Forestry." Renumber forestry-related appropriations from subsection (1) to subsection (2) of section 20.370 to reflect this change. Amend various appropriations to clarify that forestry appropriations are from the conservation fund and update cross-references to these forestry-related appropriations in other sections of the statutes. In addition, remove references to forestry facilities and rental fees from three general program operations appropriations under subsection (1), and create a new appropriation under subsection (2) for forestry rental and facility services. Specify that campground reservation fees applicable to southern state forests or state parks are deposited in the campground reservation fee appropriation under section 20.370(1)(er) of the statutes. Remove the reference to forestry purposes under the subsection (1) general program operations federal funds appropriation and create a new continuing conservation fund appropriation for federal aid for forestry management.

Change the endangered resources gifts and grants appropriation from 20.370(1)(gr) to 20.370(1)(fu). Renumber the sum-sufficient general fund appropriation for off-highway motorcycle registration grants and law enforcement from subsection (1) to subsection (9).

Make changes to reflect the movement of fisheries management from the former Division of Water to the new Division of Fish, Wildlife, and Parks. Specify that the general fund and conservation fund general program operations appropriations under subsection (1) may be used for general program operations relating to management of the state's fishery resources. Remove the reference to state fishery resources under the subsection (4) general program operations appropriation and create a new continuing appropriation for the deposit of federal aid for state fishery resources. Renumber appropriations related to fisheries management from subsection (4) to subsection (1) related to the movement of fisheries management to the Division of Fish, Wildlife, and Parks from the former Division of Water. Update cross references to these appropriations in other sections of the statutes. Renumber the subsection (4) environmental fund appropriation for the deposit of federal aid for water resources to subsection (2). The administration indicates this was done in error.

Air and Waste Programs

Change the title under section 20.370(4) of the statutes from "Water" to "Environmental Management." Renumber appropriations from subsection (2) associated with air management and solid waste management to subsection (4). Repeal the subsection (2) GPR program operations appropriation for the management and regulation of solid waste disposal and other related services. (The administration indicates the bill was intended to amend the subsection (4) general operations appropriation to specify that it may be used for environmental quality purposes; a modification was provided under the errata to meet this intent.) Repeal the subsection (2) appropriation for receipt of federal aid, for environmental quality purposes, but specify that the subsection (4) federal aid appropriation may be used for environmental quality purposes. Repeal the subsection (2) environmental fund general program operations

appropriation, and specify that the subsection (4) environmental fund general program operations appropriation may be used for administration of environmental activities under Chapters 285, and 289 to 299 of the statutes.

Amend two subsection (2) general operations PR appropriations to include forestry facilities, and delete references to air and waste functions. Amend two subsection (4) general operations PR appropriations to specify use for environmental management functions and delete references to fishery resources.

Business Support and External Services

Change the title under section 20.370(3) of the statutes from "Public Safety and Business Support" to "Public Safety," and change the title under section 20.370(9) of the statutes from "Customer Assistance and External Relations" to "External Services." Renumber appropriations in subsection (3) related to business support and the Bureau of Environmental Analysis and Sustainability to subsection (9). Remove the reference to review of environmental impact requirements from the subsection (3) general fund and conservation fund general program operations appropriations.

Repeal the subsection (3) annual environmental fund general program operations nonpoint source water pollution research, evaluation and monitoring appropriation, and create a new annual environmental fund appropriation in subsection (9) for performing the duties under section 281.65 of the statutes, related to nonpoint source water pollution abatement programs and related financial assistance. Renumber the subsection (3) conservation fund appropriation for public health activities relating to surface water quality to subsection (4). Renumber appropriations related to watershed management from subsection (4) to subsection (9) to reflect the movement of watershed management from the former Division of Water to the new Division of External Services.

Renumber two appropriations under subsection (9) related to education fees at the MacKenzie environmental center and Horicon Marsh education and visitor center to subsection (1). Amend the language of the subsection (9) general program operations appropriations, including from the general fund, from stationary sources, from private and public sources, from service funds, from federal funds, from mobile sources, from the conservation fund, and from the environmental fund by deleting all references to "customer service, communications, licensing, registration, or aids administration," and replacing this language with "external relations." The bill does not define "external relations."

Internal Services and Administration

Change the title under section 20.370(8) of the statutes from "Administration and Technology" to "Internal Services." In addition, create an all-moneys-received continuing appropriation in subsection (8) for the deposit of all moneys received from the federal government for land and property management.

Repeal Obsolete Appropriations

Repeal obsolete appropriations and corresponding statutory language, including

appropriations for: (a) environmental impact statement fees, consultant services, printing and postage costs; (b) general fund-supported dam inspections and safety; (c) a grant to the Milwaukee Public Museum for an exhibit on biological diversity (no funds were allowed to be encumbered from the appropriation after June 30, 1999); (d) a one-time grant for the study of Lake Koshkonong under 2009 Act 28; (e) waste reduction and recycling gifts and grants; (f) a tribal gaming PR wastewater/drinking water grant to the Town of Swiss (Burnett County) that sunset in 2005; (g) GPR grants for scenic urban waterways; (h) general fund repayment and interest on recreational boating bonds; and (i) general fund gifts and grants for environmental management systems.

Joint Finance/Legislature: Adopt the Governor's recommendation, as modified by several errata, to reorganize the DNR and renumber multiple appropriations. In addition: (a) delete "or representatives in charge of any state park" from section 27.01(13) of the statutes related to changes to law enforcement coverage in state parks and forests; and (b) maintain the current law appropriation language for the appropriations under sections 20.370(9)(ma), (9)(mq), (9)(mu), and (9)(mv) of the statutes (rather than the Governor's bill language of "external services," which was not defined), but add "watershed management and environmental analysis and sustainability" to the list of uses of funds from these appropriations to reflect other program transfers under the reorganization. The following table shows Joint Finance changes under several errata affecting statutory language for several appropriations. Other funding changes in errata items are incorporated into the table entitled "DNR Reorganization -- Transfers Between Programs and Subprograms."

Appropriation Changes Under the Errata and Technical Corrections

<u>Appropriation</u>	<u>Title</u>	<u>Action Under Errata/Technical Correction</u>
(3)(mr)	Recycling; enforcement and research.	Appropriation repealed in 2015 budget; errata transfers the \$20,700 SEG erroneously placed here to appropriation (3)(mq) and deletes (3)(mr) from the statutes.
(4)(aq)	Water resources management - lake, river, and invasive species management.	Bill would delete appropriation (4)(aq); errata retains (4)(aq) and creates (9)(aq). The amounts in the schedule for both appropriations are correct.
(4)(ma)	General program operations-state funds.	Technical correction to specify that, in addition to management and protection of the state's water resources, the appropriation may also be utilized for "environmental quality and environmental management" purposes.
(4)(my)	General program operations-environmental fund; federal funds.	Appropriation erroneously renumbered as (2)(ms); technical correction retains appropriation (4)(my).
(9)(mv)	General program operations-environmental fund.	Technical correction to transfer 5.5 positions and \$917,300 nonpoint SEG annually related to nonpoint water pollution to appropriation (9)(mr). In addition, specify that appropriation (9)(mr), in addition to being utilized for performing the duties under section 281.65 of the statutes, may also be utilized for performing the duties under sections 281.16, 281.19, and 281.20, related to nonpoint source standards and enforcement.

Several modifications under Joint Finance action further reallocate funding and positions among agency programs to accomplish changes the Department announced prior to the bill's introduction that it would pursue. Reallocations affecting the largest numbers of positions include: (a) consolidating DNR credentialed law enforcement positions from parks and forestry areas in the Bureau of Law Enforcement; (b) assigning centralized research positions to programmatic areas with which research is associated; and (c) consolidating park and recreational facilities management in the Division of Fish, Wildlife, and Parks, while housing other real estate, facilities planning and management, capital budget development, and engineering and construction management activities in the Division of Internal Services.

Summary and Tables

The table entitled "Former and New Budgetary Programs and Subprograms" shows the former budgetary programs and subprograms, as compared to the DNR's budgetary structure under the reorganization. Under 2017 Act 59, the budgetary programs for conservation aids, environmental aids, and debt service and development remain the same. It should also be noted that in some cases, the budgetary subprogram may not reflect the organizational location of the staff. For example, the Office of Communications is, for budgetary purposes, housed under program 9 (External Services,) but organizationally housed under program 8 (Internal Services) attached to the Secretary's office.

The table entitled "DNR Reorganization -- Transfers Between Programs and Subprograms" shows funding and position transfers under the Department reorganization item in the budget system. Including errata items, the provision would transfer among DNR's appropriations approximately \$206.7 million in 2017-18 and \$207.8 million in 2018-19, with approximately 1,685 positions in 2017-18 and 1,698 positions in 2018-19. For instances in which the funding and positions transferred in 2017-19 differ from amounts shown in the adjusted base, differences are attributable to other budget items listed separately for the agency, as the reorganization provision would not have any net effect on DNR authorized funding or positions.

[Act 59 Sections: 2, 142, 143, 229 thru 239, 240, 241, 243 thru 264, 265 thru 292, 293 thru 314, 315 thru 329, 331 thru 334, 335 thru 338, 339, 340, 341 thru 356, 358, 359, 440, 456, 457, 469, 485, 516 thru 521, 522 thru 526, 548 thru 550, 554, 565e, 567, 570, 571, 573 thru 576, 578, 582, 583, 584, 585, 1169, 1199 thru 1205, 1206, 1207, 1805, 1806, 1819, 1820 thru 1826, 1827m, and 1828 thru 1848]

Former and New Budgetary Programs and Subprograms

Former Programs and Subprograms

Land and Forestry

Land Program Management
Wildlife Management
Forestry
Southern Forests
Parks and Recreation
Endangered Resources
Facilities and Lands

Air and Waste

Air Management
Waste Management
Remediation and Redevelopment
Air, Waste and Remediation and Redevelopment
(AWARE) Program Management

Public Safety and Business Support

Law Enforcement
Office of Business Support and Sustainability
Science Services
Enforcement and Science Program Management

Water

Watershed Management
Fisheries Management
Drinking and Groundwater
Water Quality
Water Program Management

Conservation Aids

Environmental Aids

Debt Service and Development

Administration and Technology

Administration
Legal Services
Finance
Management and Budget
Information Technology
Human Resources
Rent

Customer Assistance and External Relations (Services) (CAES)

Customer Service and Licensing
Communication and Education
Community Financial Assistance
CAES Program Management

New Programs and Subprograms

Fish, Wildlife, and Parks

Land Leaders
Wildlife Management
Fisheries Management
Southern Forests
Parks and Recreation
Natural Heritage Conservation (Endangered Resources)
Property and Recreation Management

Forestry

Forestry

Public Safety

Law Enforcement
Enforcement Leaders

Environmental Management

Drinking and Groundwater
Water Quality
Air Management
Waste and Materials Management
Remediation and Redevelopment
Environmental Leaders

Conservation Aids

Environmental Aids

Debt Service and Development

Internal Services

Administration
Legal Services
Finance
Management and Budget
Facility and Property Services
Information Technology
Human Resources
Internal Services
Rent

External Services

Watershed Management
Office of Communications
Community Financial Assistance
Environmental Analysis and Sustainability
External Services Leaders
Customer Service

DNR Reorganization -- Transfers Between Programs and Subprograms

Former Program

Former Subprogram

Adjusted	Fund	2017-18	2018-19	2017-18	2018-19
<u>Base</u>	<u>Positions</u>	<u>Source</u>	<u>Funding</u>	<u>Funding</u>	<u>FTE</u>

Land

Land Program Management

\$1,025,900	7.00	SEG (CF)	-\$200,000	-\$268,400	-2.00	-2.00
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Wildlife Management

6,291,700	29.93	FED	-171,400	-320,400	0.00	0.00
457,900	2.50	PR				
14,550,800	122.82	SEG (CF)	-837,200	-973,400	-9.75	-9.75

Forestry

1,438,200	3.50	FED	-1,461,900	-1,461,900	-3.50	-3.50
585,800	0.00	PR	-585,800	-585,800	0.00	0.00
53,895,800	449.08	SEG (CF)	-52,347,800	-52,320,300	-449.08	-449.08

New Program

New Subprogram

2017-18	2018-19	2017-18	2018-19	Fund
<u>Funding</u>	<u>Funding</u>	<u>FTE</u>	<u>FTE</u>	<u>Source</u>

Fish, Wildlife, and Parks

Property and Recreation Management

\$68,500	\$136,900	1.00	1.00	SEG (CF)
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Internal Services

Internal Services Leaders

131,500	131,500	1.00	1.00	SEG (CF)
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Fish, Wildlife, and Parks

Property and Recreation Management

149,200	298,200	0.00	0.00	FED
136,900	273,100	2.50	2.50	SEG (CF)

Natural Heritage Conservation

42,400	42,400	0.00	0.00	SEG (CF)
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Forestry

Forestry

528,900	528,900	6.00	6.00	SEG (CF)
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Public Safety

Law Enforcement

93,200	93,200	1.00	1.00	SEG (CF)
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Internal Services

Legal Services

28,400	28,400	0.25	0.25	SEG (CF)
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Facility and Property Services

22,200	22,200	0.00	0.00	FED
7,400	7,400	0.00	0.00	SEG (CF)

Fish, Wildlife, and Parks

Natural Heritage Conservation

27,000	27,000	0.50	0.50	SEG (CF)
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Property and Recreation Management

1,479,500	2,116,300	18.00	18.00	SEG (CF)
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Forestry

Forestry

1,461,900	1,461,900	3.50	3.50	FED
585,800	585,800	0.00	0.00	PR
49,771,200	49,106,900	418.58	418.58	SEG (CF)

Former Program

Former Subprogram

Adjusted

BasePositions

Fund

Source

2017-18

Funding

2018-19

Funding

2017-18

FTE

2018-19

FTE**Land**

Southern Forests

127,700

2.00

FED

4,600

0.00

PR

5,898,400

41.45

SEG (CF)

-310,600

-518,700

-2.00

-6.00

Parks

621,100

9.25

FED

116,000

0.00

PR

18,335,600

134.25

SEG (CF)

-1,323,700

-1,860,700

-12.80

-21.80

New Program

New Subprogram

2017-18

Funding

2018-19

Funding

2017-18

FTE

2018-19

FTE

Fund

Source**Public Safety**

Law Enforcement

788,700

788,700

10.00

10.00

SEG (CF)

Internal Services

Facility and Property Services

200,400

200,400

0.50

0.50

SEG (CF)

Information Technology

27,000

27,000

0.50

0.50

SEG (CF)

External Services

Customer Service

54,000

54,000

1.00

1.00

SEG (CF)

Fish, Wildlife, and Parks

Natural Heritage Conservation

58,600

58,600

0.00

0.00

SEG (CF)

Public Safety

Law Enforcement

252,000

460,100

2.00

6.00

SEG (CF)

Fish, Wildlife, and Parks

Wildlife Management

239,300

239,300

2.00

2.00

SEG (CF)

Natural Heritage Conservation

68,700

68,700

1.00

1.00

SEG (CF)

Forestry

Forestry

25,100

25,100

0.00

0.00

SEG (CF)

Public Safety

Law Enforcement

880,300

1,417,300

8.00

17.00

SEG (CF)

Internal Services

Facility and Property Services

49,000

49,000

0.80

0.80

SEG (CF)

Information Technology

61,300

61,300

1.00

1.00

SEG (CF)

Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Land

Endangered Resources

1,980,200	9.00	FED	-17,400	-17,400	0.00	0.00
807,700	2.50	GPR				
439,900	3.50	PR	-92,000	-92,000	-1.00	-1.00
1,706,500	16.50	SEG (CF)	-143,600	-143,600	-1.00	-1.00

Facilities and Lands

2,478,200	12.80	FED	-2,406,500	-2,406,500	-12.80	-12.80
284,800	3.00	PR	-281,600	-281,600	-3.00	-3.00
8,353,000	74.50	SEG (CF)	-7,830,100	-7,830,100	-77.50	-77.50

Air and Waste

Air Management

65,000	0.50	GPR	0	0	0.00	0.00
3,255,000	34.00	FED	-3,178,700	-3,178,700	-34.00	-34.00
10,770,700	92.00	PR	-9,696,300	-9,696,300	-92.00	-92.00
158,600	2.00	SEG (EF)	-143,300	-143,300	-2.00	-2.00
1,522,200	5.50	SEG (PIF)	-1,424,600	-1,424,600	-4.50	-4.50

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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Forestry

Forestry

143,300	143,300	1.00	1.00	SEG (CF)
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Internal Services

Facility and Property Services

17,400	17,400	0.00	0.00	FED
300	300	0.00	0.00	SEG (CF)
92,000	92,000	1.00	1.00	PR

Fish, Wildlife, and Parks

Land Leaders

71,000	71,000	1.00	1.00	SEG (CF)
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Parks

162,500	162,500	2.00	2.00	SEG (CF)
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Property and Recreation Management

562,300	562,300	1.50	1.50	FED
1,090,700	1,090,700	17.50	17.50	SEG (CF)

Internal Services

Facility and Property Services

1,793,000	1,793,000	10.30	10.30	FED
195,100	195,100	2.00	2.00	PR
6,317,300	6,317,300	54.00	54.00	SEG (CF)

External Services

Environmental Analysis and Sustainability

86,500	86,500	1.00	1.00	PR
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Customer Service

51,200	51,200	1.00	1.00	FED
188,600	188,600	3.00	3.00	SEG (CF)

Environmental Management

Air Management

3,178,700	3,178,700	34.00	34.00	FED
9,696,300	9,696,300	92.00	92.00	PR
143,300	143,300	2.00	2.00	SEG (EF)
1,424,600	1,424,600	4.50	4.50	SEG (PIF)

Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Air and Waste

Waste and Materials Management

421,500	3.75	GPR	-407,700	-407,700	-3.75	-3.75
1,829,600	21.50	FED	-1,834,100	-1,834,100	-21.50	-21.50
2,510,200	24.00	PR	-2,423,900	-2,423,900	-24.00	-24.00
2,943,700	26.00	SEG (EF)	-2,927,500	-2,927,500	-26.00	-26.00

Remediation and Redevelopment

558,500	6.00	GPR	-527,300	-527,300	-6.00	-6.00
3,361,400	35.00	FED	-3,504,300	-3,504,300	-35.00	-35.00
1,074,200	11.50	PR	-1,017,900	-1,017,900	-11.50	-11.50
4,551,800	22.50	SEG (EF)	-4,469,700	-4,469,700	-22.50	-22.50
3,669,200	31.95	SEG (PIF)	-3,550,800	-3,550,800	-31.95	-31.95
224,900	2.00	SEG (DC)	-221,000	-221,000	-2.00	-2.00

AWARE Leaders

435,700	3.00	GPR	-387,200	-387,200	-3.00	-3.00
516,400	3.50	PR	-456,300	-456,300	-3.50	-3.50
268,700	0.50	SEG (EF)	-267,600	-267,600	-0.50	-0.50

Public Safety and Business Support

Law Enforcement

1,486,500	13.77	GPR	-1,469,300	-1,469,300	-13.77	-13.77
3,829,300	23.50	FED	-3,729,000	-3,729,000	-23.50	-23.50
1,255,200	10.00	PR	-1,211,500	-1,211,500	-10.00	-10.00
22,638,700	160.08	SEG (CF)	-20,986,500	-20,986,500	-160.08	-160.08
1,773,900	13.48	SEG (EF)	-1,724,900	-1,724,900	-13.48	-13.48

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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Environmental Management

Waste and Materials Management

407,700	407,700	3.75	3.75	GPR
1,834,100	1,834,100	21.50	21.50	FED
2,423,900	2,423,900	24.00	24.00	PR
2,855,100	2,855,100	25.00	25.00	SEG(EF)

Internal Services

Information Technology

72,400	72,400	1.00	1.00	SEG(EF)
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Environmental Management

Remediation and Redevelopment

481,900	481,900	5.60	5.60	GPR
3,504,300	3,504,300	35.00	35.00	FED
1,017,900	1,017,900	11.50	11.50	PR
4,469,700	4,469,700	22.50	22.50	SEG (EF)
3,550,800	3,550,800	31.95	31.95	SEG (PIF)
221,000	221,000	2.00	2.00	SEG (DC)

Internal Services

Legal Services

45,400	45,400	0.40	0.40	GPR
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Environmental Management

Waste and Materials Management

65,900	65,900	0.50	0.50	PR
65,900	65,900	0.50	0.50	SEG (EF)

Environmental Leaders

387,200	387,200	3.00	3.00	GPR
390,400	390,400	3.00	3.00	PR
201,700	201,700	0.00	0.00	SEG (EF)

Public Safety

Law Enforcement

1,469,300	1,469,300	13.77	13.77	GPR
3,729,000	3,729,000	23.50	23.50	FED
1,211,500	1,211,500	10.00	10.00	PR
20,986,500	20,986,500	160.08	160.08	SEG (CF)
1,724,900	1,724,900	13.48	13.48	SEG (EF)

Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Public Safety and Business Support

Business Support and Sustainability

1,490,200	15.00	GPR	-1,347,500	-1,347,500	-14.00	-14.00
1,657,800	15.50	PR	-1,579,100	-1,579,100	-15.50	-15.50
133,300	1.50	SEG (CF)	-116,000	-116,000	-1.50	-1.50
383,900	4.00	SEG (EF)	-409,300	-409,300	-4.00	-4.00
150,300	2.00	SEG (PIF)	-160,800	-160,800	-2.00	-2.00

Integrated Science Services

457,500	4.61	GPR	-450,000	-450,000	-4.61	-4.61
3,721,900	15.25	FED	-3,725,200	-3,725,200	-15.25	-15.25
1,166,400	7.14	PR	-1,179,100	-1,179,100	-7.14	-7.14
1,705,700	7.50	SEG (CF)	-1,608,300	-1,608,300	-6.50	-6.50
592,300	4.50	SEG (EF)	-358,700	-358,700	-2.50	-2.50
120,800	1.00	SEG (PIF)	-116,700	-116,700	-1.00	-1.00

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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External Services

Watershed Management

95,200	95,200	1.00	1.00	GPR
154,300	154,300	2.00	2.00	SEG (EF)
Environmental Analysis and Sustainability				
1,252,300	1,252,300	13.00	13.00	GPR
1,579,100	1,579,100	15.50	15.50	PR
116,000	116,000	1.50	1.50	SEG (CF)
255,000	255,000	2.00	2.00	SEG (EF)
160,800	160,800	2.00	2.00	SEG (PIF)

Fish, Wildlife, and Parks

Wildlife Management

2,323,500	2,323,500	8.00	8.00	FED
117,000	117,000	0.00	0.00	SEG (CF)
Natural Heritage Conservation				
60,200	60,200	0.75	0.75	FED
28,800	28,800	0.25	0.25	SEG (CF)
Fisheries Management				
1,194,800	1,194,800	5.00	5.00	FED
116,700	116,700	0.00	0.00	SEG (CF)

Forestry

Forestry

260,000	260,000	0.00	0.00	SEG (CF)
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Environmental Management

Drinking and Groundwater

24,700	24,700	0.00	0.00	SEG (CF)
Water Quality				
207,700	207,700	2.00	2.00	SEG (EF)

External Services

Environmental Analysis and Sustainability

256,700	256,700	2.61	2.61	GPR
94,900	94,900	1.00	1.00	FED
1,158,300	1,158,300	6.89	6.89	PR
811,900	811,900	3.75	3.75	SEG (CF)
111,700	111,700	0.00	0.00	SEG (EF)
116,700	116,700	1.00	1.00	SEG (PIF)

Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Public Safety and Business Support

Enforcement Leaders

115,900	1.00	GPR	-113,300	-113,300	-1.00	-1.00
730,900	5.50	SEG (CF)	-46,500	-46,500	-0.50	-0.50

Water

Watershed Management

5,637,200	58.78	GPR	-5,464,000	-5,464,000	-58.78	-58.78
3,142,500	20.53	FED	-3,058,900	-3,058,900	-20.53	-20.53
3,460,900	34.50	PR	-3,370,200	-3,370,200	-34.50	-34.50
1,501,300	13.50	SEG (CF)	-1,527,300	-1,527,300	-13.50	-13.50
2,320,400	10.00	SEG (EF)	-2,242,800	-2,242,800	-12.00	-12.00

Fisheries Management

1,815,000	0.00	GPR	-1,815,000	-1,815,000	0.00	0.00
5,892,700	32.66	FED	-5,814,500	-5,814,500	-32.66	-32.66
306,200	2.00	PR	-308,300	-308,300	-2.00	-2.00
19,149,000	172.98	SEG (CF)	-18,561,900	-18,561,900	-172.98	-172.98

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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External Services

External Services Leaders

193,300	193,300	2.00	2.00	GPR
51,800	51,800	0.50	0.50	FED
20,800	20,800	0.25	0.25	PR
249,200	249,200	2.50	2.50	SEG (CF)
39,300	39,300	0.50	0.50	SEG (EF)

Internal Services

Information Technology

46,500	46,500	0.50	0.50	SEG (CF)
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External Services

External Services Leaders

113,300	113,300	1.00	1.00	GPR
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Fish, Wildlife, and Parks

Property and Recreation Management

100	100	0.00	0.00	GPR
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External Services

Watershed Management

5,463,900	5,463,900	58.78	58.78	GPR
3,058,900	3,058,900	20.53	20.53	FED
3,370,200	3,370,200	34.50	34.50	PR
1,527,300	1,527,300	13.50	13.50	SEG (CF)
2,242,800	2,242,800	12.00	12.00	SEG (EF)

Fish, Wildlife, and Parks

Fisheries Management

1,815,000	1,815,000	0.00	0.00	GPR
5,760,100	5,705,800	32.66	32.66	FED
308,300	308,300	2.00	2.00	PR
18,361,700	18,276,200	170.23	170.23	SEG (CF)

Property and Recreation Management

54,400	108,700	0.00	0.00	FED
86,100	171,600	1.50	1.50	SEG (CF)

Public Safety

Law Enforcement

85,700	85,700	1.00	1.00	SEG (CF)
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Internal Services

Legal Services

28,400	28,400	0.25	0.25	SEG (CF)
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Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Water

Drinking and Groundwater

2,380,800	22.72	GPR	-44,900	-44,900	-0.50	-0.50
7,526,400	66.03	FED	-92,500	-92,500	-1.00	-1.00
1,478,200	9.00	PR				
2,403,500	19.04	SEG (EF)				

Water Quality

6,091,100	55.25	GPR	-455,100	-455,100	-4.00	-4.00
9,598,900	82.62	FED				
809,400	5.00	PR				
2,273,700	11.00	SEG (CF)				
1,325,000	11.78	SEG (EF)				
599,800	5.00	SEG (EIF)				

Water Program Management

1,269,700	10.00	GPR	-892,900	-892,900	-7.00	-7.00
19,300	0.00	SEG (CF)	-19,300	-19,300	0.00	0.00

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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Environmental Management

Environmental Leaders

44,900	44,900	0.50	0.50	GPR
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Public Safety

Law Enforcement

92,500	92,500	1.00	1.00	FED
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Environmental Management

Remediation and Redevelopment

455,100	455,100	4.00	4.00	GPR
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Fish, Wildlife, and Parks

Land Program Management

19,300	19,300	0.00	0.00	SEG (CF)
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Environmental Management

Drinking and Groundwater

131,900	131,900	1.00	1.00	GPR
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Water Quality

131,900	131,900	1.00	1.00	GPR
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Internal Services

Internal Services Leaders

494,900	494,900	4.00	4.00	GPR
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External Services

Watershed Management

47,600	47,600	0.00	0.00	GPR
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External Services Leaders

86,600	86,600	1.00	1.00	GPR
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Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Administration and Technology

Administration

256,800	2.00	GPR	-316,300	-316,300	-2.00	-2.00
341,600	3.30	FED	-278,200	-278,200	-3.30	-3.30
1,220,200	9.20	SEG (CF)	-1,124,100	-1,124,100	-9.20	-9.20
5,400	0.00	SEG (EF)	-5,400	-5,400	0.00	0.00

Finance

445,400	3.28	GPR				
1,465,700	14.00	FED				
49,900	0.00	PR				
4,704,800	38.89	SEG (CF)	-134,600	-134,600	-1.00	-1.00
480,700	1.00	SEG (EF)				

Information Technology

118,700	1.00	GPR				
1,917,300	16.35	FED				
5,949,800	15.00	PR	-128,700	-128,700	-1.50	-1.50
3,347,500	27.55	SEG (CF)				
77,400	0.00	SEG (EF)				
25,000	0.00	SEG (EIF)				

Human Resources

270,400	2.84	GPR				
1,074,700	11.20	FED	-381,700	-381,700	-5.20	-5.20
2,942,900	32.77	SEG (CF)	-1,051,300	-1,051,300	-13.60	-13.60
44,600	0.00	SEG (EF)				

New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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Internal Services

Administration

167,000	167,000	1.00	1.00	GPR
158,700	158,700	2.50	2.50	FED
1,094,900	1,094,900	9.00	9.00	SEG (CF)
5,400	5,400	0.00	0.00	SEG (EF)

External Services

External Services Leaders

149,300	149,300	1.00	1.00	GPR
119,500	119,500	0.80	0.80	FED
29,200	29,200	0.20	0.20	SEG (CF)

External Services

External Services Leaders

134,600	134,600	1.00	1.00	SEG (CF)
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Internal Services

Legal Services

128,700	128,700	1.50	1.50	PR
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Fish, Wildlife, and Parks

Facilities and Lands

326,100	326,100	4.20	4.20	FED
931,400	931,400	11.60	11.60	SEG (CF)

Internal Services

Internal Services Leaders

55,600	55,600	1.00	1.00	FED
119,900	119,900	2.00	2.00	SEG (CF)

Former Program

Former Subprogram

Adjusted Base	Positions	Fund Source	2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE
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Customer Assistance and External Services

Customer Service

857,500	14.87	GPR	-826,500	-826,500	-14.37	-14.37
587,800	5.27	FED	-682,300	-682,300	-5.27	-5.27
1,485,500	4.75	PR	-1,479,800	-1,479,800	-4.75	-4.75
8,703,600	50.21	SEG (CF)	-8,551,100	-8,551,100	-50.21	-50.21
117,600	2.00	SEG (EF)	-112,600	-112,600	-2.00	-2.00
29,400	0.50	SEG (PIF)	-42,200	-42,200	-0.50	-0.50

Communication and Education

31,500	0.20	GPR				
278,500	2.50	FED				
526,800	1.00	PR	-138,500	-138,500	-1.00	-1.00
451,700	2.10	SEG (CF)				
149,500	1.00	SEG (EF)				
2,500	0.00	SEG (PIF)				

Community Financial Assistance

328,000	3.50	GPR	-23,800	-23,800	-0.50	-0.50
2,827,000	22.50	FED	-72,400	-72,400	-1.00	-1.00
1,637,400	15.00	SEG (CF)	-242,400	-242,400	-3.50	-3.50
1,158,400	10.00	SEG (EIF)				
305,100	3.00	SEG (EF)				
83,000	1.00	SEG (DC)				

Customer Assistance and External Services Management

334,400	2.45	GPR	-331,800	-331,800	-2.45	-2.45
71,400	1.15	FED	-97,000	-97,000	-1.15	-1.15
1,751,900	7.45	SEG (CF)	-1,643,800	-1,643,800	-7.45	-7.45
661,500	0.70	SEG (EF)	-659,600	-659,600	-0.70	-0.70

Total			-\$206,771,200	-\$207,842,400	-1,684.56	-1,697.56
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New Program

New Subprogram

2017-18 Funding	2018-19 Funding	2017-18 FTE	2018-19 FTE	Fund Source
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External Services

Customer Service

826,500	826,500	14.37	14.37	GPR
682,300	682,300	5.27	5.27	FED
1,479,800	1,479,800	4.75	4.75	PR
8,551,100	8,551,100	50.21	50.21	SEG (CF)
112,600	112,600	2.00	2.00	SEG (EF)
42,200	42,200	0.50	0.50	SEG (PIF)

Fish, Wildlife, and Parks

Parks

138,500	138,500	1.00	1.00	PR
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Internal Services

Information Technology

23,800	23,800	0.50	0.50	GPR
23,400	23,400	0.50	0.50	SEG (CF)

External Services

Watershed Management

72,400	72,400	1.00	1.00	FED
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External Services Leaders

219,000	219,000	3.00	3.00	SEG (CF)
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Internal Services

Internal Services

331,800	331,800	2.45	2.45	GPR
97,000	97,000	1.15	1.15	FED
1,643,800	1,643,800	7.45	7.45	SEG (CF)
659,600	659,600	0.70	0.70	SEG (EF)

\$206,771,200	\$207,842,400	1,684.56	1,697.56	
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SEG (CF) Conservation Fund

SEG (EF) Environmental Fund

SEG (PIF) Petroleum Inspection Fund

SEG (EIF) Environmental Improvement Fund

SEG (DC) Dry Cleaner Environmental Response

Departmentwide

1. STANDARD BUDGET ADJUSTMENTS

Governor/Legislature: Provide adjustments to the base budget totaling -\$12,697,900 in 2017-18 and -\$12,873,500 in 2018-19 with the deletion of 8.0 positions as follows:

(a) -\$3,205,100 annually for turnover reduction (-\$297,900 GPR, -\$587,800 FED, -\$118,100 PR, and -\$2,201,300 SEG);

(b) -\$6,142,800 (-\$70,500 FED and -\$6,072,300 SEG) with a reduction of 4.00 FED and 1.00 SEG project positions beginning in 2017-18, and -\$6,518,200 (-\$445,900 FED and -\$6,072,300 SEG) with a further reduction of 3.00 FED project positions beginning in 2018-19, for removal of non-continuing elements from the base; (c) -\$6,739,000 (-\$503,600 GPR, -\$5,645,400 SEG, -\$1,048,600 PR, and \$458,600 FED) annually for full funding of continuing salaries and fringe benefits; (d) \$3,194,500 (\$8,000 PR and \$3,186,500 SEG) annually for overtime; and (e) \$194,500 (\$29,500 GPR, \$39,300 FED, and \$125,700 SEG) in 2017-18 and \$394,300 (\$59,800 GPR, \$79,700 FED, and \$254,800 SEG) in 2018-19 for full funding of leases and directed moves.

	Funding	Positions
GPR	- \$1,513,700	0.00
FED	- 655,800	- 7.00
PR	- 2,317,400	0.00
SEG	<u>- 21,084,500</u>	<u>- 1.00</u>
Total	- \$25,571,400	- 8.00

2. ELIMINATE NATURAL RESOURCES MAGAZINE [LFB Paper 461]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
SEG	- \$681,000	- 2.00	\$646,800	1.00	- \$34,200	- 1.00

Governor: Delete \$136,200 in 2017-18 and \$544,800 in 2018-19 and 2.0 vacant positions beginning in 2018-19 (1.0 natural resources program specialist and 1.0 natural resources magazine editor). In addition, repeal the natural resources magazine appropriation, effective July 1, 2018. Require the Department to publish the final issue of *Wisconsin Natural Resources* magazine in February, 2018, and eliminate publication of the magazine after that issue. Require DNR to, no later than June 30, 2018, refund to each subscriber of the magazine a prorated amount of the cost of any issues after February, 2018, for which the subscriber paid but will not receive. Remove references to the magazine in the Department's general promotional activities and publications appropriation and relating to conservation fund patron privileges, effective July 1, 2018. In addition, effective April 1, 2018, reduce the fee for a conservation patron license from \$165 to \$156.05 for residents (including 75¢ issuing fee and \$4 wildlife damage surcharge), and \$600 to \$591.05 for nonresidents, a reduction of \$8.95. This amount is nearly equal to the fee for a current one-year subscription of the magazine (\$8.97) to reflect the elimination of the magazine as a patron privilege.

Under current law, the Department may periodically produce, issue, or reprint magazines or other periodicals containing information on resource management and related subjects. The

direct costs of the agency's bi-monthly publication, *Wisconsin Natural Resources*, are entirely funded from subscription, single-copy and insert sales. The magazine carries no advertisements. The current subscription rates, including an annual \$1 shipping and handling fee, are \$8.97 for one year, \$15.97 for two years and \$21.97 for three years. The retail price of the magazine is \$3 per issue. The rates are intended to recover the magazine's production costs. For the December, 2016 issue, approximately 83,800 copies of the magazine were issued, including copies provided to approximately 45,000 conservation patrons.

All magazine subscription revenues are deposited in a single appropriation, referred to as the natural resources magazine account of the conservation fund, which in the 2015-17 biennium supports 2.0 positions within the agency's Office of Communication, as well as the costs of printing and distributing *Wisconsin Natural Resources*. The positions have been vacant since mid-2016 and would be deleted under the bill. With permanent positions vacant, limited-term employees (LTEs) are responsible for magazine production and operations.

Under the bill, the last issue of the magazine would be the February, 2018, issue, and the Department would be required to, by June 30, 2018, refund to each subscriber with outstanding issues after the February, 2018, issue, a prorated amount of the subscription costs according to each subscriber's number of outstanding issues. Current statutory language allowing the Department to produce, issue, or reprint periodicals containing information on resource management and related subjects would remain, with all revenues from such materials deposited in the Department's general promotional activities and publications appropriation.

Joint Finance/Legislature: Delete 1.0 position beginning in 2018-19, providing 1.0 ongoing permanent position for production of *Wisconsin Natural Resources* magazine. Restore funding, less \$17,100 each year associated with fringe benefits for a permanent position. (Expenditure authority associated with the second position would be moved to fund limited-term employee costs.) In addition, specify that the Department produce four issues of the magazine annually. Require the Department to provide additional online magazine content in addition to the four printed issues produced annually, which would also be available online. Further, require the DNR communications director, designated as a Division Administrator under section 230.08(2)(e)(8) of the statutes, to serve as the editor of the magazine, in addition to his or her current duties.

[Act 59 Sections: 515 and 9133(5)]

3. USE OF UNOBLIGATED STEWARDSHIP BONDING AUTHORITY

Joint Finance: Specify that, notwithstanding section 23.0917(5g) of the statutes, DNR shall obligate funds from existing stewardship bonding authority that was not obligated in fiscal years 2014-15 and 2015-16, in the amounts for the first five purposes listed in the following paragraphs and shown in the following table. In addition, specify that a grant for a sixth purpose, the municipal flood control grant program item, shall be awarded from the unobligated bonding authority under the Knowles-Nelson Stewardship program from one or more of the 2014-15, 2015-16, or 2016-17 fiscal years.

Saxon Harbor Campground and Marina. The amount necessary, not to exceed \$1,000,000,

for a grant to Iron County for a project to rebuild Saxon Harbor marina and campground.

Canadian Pacific Rail Corridor. The amount necessary, not to exceed \$1,000,000, for the acquisition of an approximately 13-mile long abandoned rail corridor referred to as the Canadian Pacific (CP) Railway Corridor between Dover and Sturtevant, in Racine County.

Peninsula State Park Eagle Tower Reconstruction. The amount necessary, not to exceed \$750,000, for a grant to the Friends of Peninsula State Park, Inc. for up to 50% of the costs of a project to reconstruct Eagle Tower on Eagle Bluff in Peninsula State Park in the Town of Fish Creek.

Horicon Marsh Overlook Shelter Enhancement. Up to \$500,000 for a grant to the City of Horicon to enhance a shelter located near the Palmatory Scenic Overlook on the south side of Horicon Marsh Wildlife Area. Require DNR and the City of Horicon to submit to the Joint Committee on Finance by June 30, 2019, a plan for using the funds. Provide that if, upon receiving the plan, the Committee's Co-Chairs do not inform DNR of an objection to the plan within 14 working days, the funds are to be disbursed. If the Co-Chairs inform the Department of an objection to the plan, funds may be disbursed only by a vote of a majority of the Committee.

Neenah Menasha Twin Trestles. The amount necessary, but not more than \$415,300, for up to 50% of the costs of a project to construct two pedestrian bridges across the Fox River and for completion of an associated trail loop, referred to as the Twin Trestles project. Specify that the amount of total stewardship bonding authority provided for the project may not exceed \$2,015,300, including \$1.6 million provided under 2015 Act 55.

Municipal Flood Control Grant Program. As described in a separate entry, amend statutory authorities for the municipal flood control (MFC) and riparian restoration program and provide a state matching grant to support a project funded or executed in whole or in part by the U.S. Army Corps of Engineers under Section 205 of the federal Flood Control Act. Further, provide the state matching grant in an amount sufficient to accomplish the flood-control goals of the project, but not to exceed \$14,600,000. Specify that, notwithstanding section 23.0917(5g) of the statutes, funds are to be awarded from the unobligated bonding authority under the Knowles-Nelson Stewardship program from one or more of the 2014-15, 2015-16, or 2016-17 fiscal years.

Projects from Unobligated Stewardship Funds

<u>Project</u>	<u>County</u>	<u>Stewardship Unobligated Bonding Provided</u>
Saxon Harbor Campground and Marina	Iron	\$1,000,000
Canadian Pacific Railway Corridor Trail	Racine	1,000,000
Peninsula State Park Eagle Tower Reconstruction	Door	750,000
Horicon Marsh Overlook Shelter Enhancement	Dodge	500,000
Neenah Menasha Twin Trestles	Winnebago	<u>415,300</u>
Subtotal --2014-15 and 2015-16 Unobligated		\$3,665,300
Municipal Flood Control Grant Program	Trempealeau	<u>\$14,600,000</u>
Total		\$18,265,300

Prior to 2011, if the Department did not obligate the full amount allocated under a stewardship subprogram, DNR was directed to raise the next year's annual bonding authority for the subprogram by an amount equal to the unobligated amount. 2011 Act 32 specified that this does not apply after fiscal year 2010-11. As a result, under section 23.0917(5g) of the statutes, DNR is no longer allowed to carry forward unobligated bonding authority into subsequent fiscal years. For fiscal year 2014-15 and 2015-16, a total of approximately \$21,570,000 in bonding was authorized, but unobligated by DNR, under the Warren Knowles-Gaylord Nelson Stewardship program. The Department also estimates that approximately \$12 million in bonding was authorized but unobligated in fiscal year 2016-17. The provision would utilize up to \$18,265,300 of unobligated bonding for the identified projects as shown in the table. Further, under the 2017-19 State Building Program, \$7.5 million of unobligated bonding is enumerated for the Willow River State Park - Little Falls Dam Reconstruction project. [See "Building Program" for additional information.]

Assembly/Legislature: Delete "Friends of Peninsula State Park, Inc." from the Peninsula State Park Eagle Tower project grant. Further, enumerate the project in the 2017-19 authorized state building program.

Veto by Governor [A-13]: Remove the requirement that the funding for the Eagle Tower project be provided as a grant. In addition, remove the requirement that the funding for the Palmatory Scenic Overlook be provided as a grant to the City of Horicon. Further, remove the requirements that a written plan regarding the Palmatory Overlook project be submitted to the Joint Committee on Finance and that the Committee approve the plan in order for project funds to be disbursed. Under Act 59, rather than providing the unobligated funds for the Eagle Tower and Palmatory Scenic Overlook projects as grants to third parties, DNR is to utilize the specified unobligated funds to complete the projects.

[Act 59 Sections: 514g, 514n, 514r, 1818g, and 1818r]

[Act 59 Vetoed Section: 514g (as it relates to conditions on funding)]

4. PROGRAM REVENUE REESTIMATES

PR	- \$5,619,000
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Governor/Legislature: Make the following reestimates of program revenue appropriations:

2017-19 DNR Program Revenue Reestimates

<u>Appropriation</u>	<u>Annual Reduction</u>
Communications, customer services, licensing, and aids administration services	-\$810,400
Geographic information systems facilities, support services, and materials	-259,100
Facilities, materials, or administrative facilities services	-700,000
Resource acquisition and development - Department of Transportation	-990,000
Ferrous metallic mining operations	<u>-50,000</u>
Total	-\$2,809,500

The reestimates reflect lower anticipated revenues and expenditures for each purpose in the 2017-19 biennium. However, under the appropriations above, DNR is authorized to expend all monies received for the purposes specified.

5. DEBT SERVICE REESTIMATE [LFB Papers 170 and 477]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	- \$547,100	\$177,300	- \$369,800
SEG	<u>- 767,200</u>	<u>- 708,700</u>	<u>- 1,475,900</u>
Total	- \$1,314,300	- \$531,400	- \$1,845,700

Governor: Reestimate principal and interest payments on bonds issued for various DNR programs by -\$2,709,000 (-\$1,857,700 GPR and -\$851,300 SEG) in 2017-18 and \$1,394,700 (\$1,310,600 GPR and \$84,100 SEG) in 2018-19.

Joint Finance/Legislature: Reestimate debt service by an additional \$817,300 (-\$383,200 GPR and -\$434,100 SEG) in 2017-18 and \$285,900 (\$560,500 GPR and -\$274,600 SEG) in 2018-19 as shown in the following table to reflect May, 2017, updated debt service estimates.

2017-19 DNR Debt Service Reestimates

	2017-18			2018-19			Total Biennial	
	<u>Governor</u>	<u>Reestimate</u>	<u>Change to Governor</u>	<u>Governor</u>	<u>Reestimate</u>	<u>Change to Governor</u>	<u>Change to Governor</u>	
Stewardship and predecessors, dam safety	\$71,098,800	\$70,715,700	-\$383,100	\$73,769,500	\$74,329,900	\$560,400	\$177,300	GPR
Water pollution abatement	0	0	0	100	0	-100	-100	GPR
Administrative facilities	696,200	696,100	-100	693,600	693,800	200	100	GPR
Combined sewer overflow	1,511,600	1,511,600	0	2,013,000	2,013,000	0	0	GPR
Municipal clean drinking water grants	177,500	177,500	0	176,200	176,200	0	0	GPR
Water pollution abatement	6,146,900	6,146,900	0	7,047,000	7,047,000	0	0	SEG (EF)
Rural nonpoint source grants-priority watershed program	6,242,600	6,211,500	-31,100	5,741,700	5,796,800	55,100	24,000	SEG (EF)
Remedial action	2,695,800	2,688,200	-7,600	2,640,000	2,642,400	2,400	-5,200	SEG (EF)
Urban nonpoint source and municipal flood control grants	3,415,600	3,280,000	-135,600	3,573,500	3,464,800	-108,700	-244,300	SEG (EF)
Contaminated sediment cleanup	1,971,800	1,940,800	-31,000	2,011,400	2,012,100	700	-30,300	SEG (EF)
Rural nonpoint source grants-targeted runoff management	2,551,000	2,329,400	-221,600	2,709,600	2,492,700	-216,900	-438,500	SEG (EF)
Administrative facilities	806,500	799,300	-7,200	842,300	835,100	-7,200	-14,400	SEG (EF)
Administrative facilities	5,815,600	5,815,600	0	6,062,900	6,062,900	0	0	SEG (CF)
Dam repair and removal	522,900	522,900	0	475,700	475,700	0	0	SEG (CF)
Land acquisition	100	100	0	100	100	0	0	SEG (CF)
Recreation development	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	SEG (CF)
Total	\$103,652,900	\$102,835,600	-\$817,300	\$107,756,600	\$108,042,500	\$285,900	-\$531,400	

Environmental Fund SEG (EF)

Conservation Fund SEG (CF)

6. AIDS IN LIEU OF TAXES REESTIMATE [LFB Paper 462]

GPR	- \$90,000
SEG	- 90,000
Total	- \$180,000

Joint Finance/Legislature: Delete \$90,000 GPR and \$90,000 conservation fund SEG (forestry account) in 2017-18 to reflect more recent estimates of payments in lieu of taxes to local units of government for DNR lands in their jurisdictions.

7. TRANSFER HUMAN RESOURCES FUNCTIONS TO DOA [LFB Paper 110]

	Governor (Chg. to Base) Positions	Jt. Finance/Leg. (Chg. to Gov) Positions	Net Change Positions
GPR	- 3.00	0.00	- 3.00
FED	- 6.00	0.00	- 6.00
SEG	- 21.50	2.00	- 19.50
Total	- 30.50	2.00	- 28.50

Governor: Delete 30.5 positions in 2018-19 associated with human resource services and payroll and benefit services. Transfer position authority to the Department of Administration (DOA) for a human resources shared agency services program. Positions would be deleted from the following appropriations: (a) general program operations (-3.0 GPR positions); (b) indirect cost reimbursements (-6.0 FED positions); and (c) general program operations (-21.50 conservation fund SEG). Funding associated with the positions (\$2,523,800) would not be reduced, but rather reallocated to supplies and services to pay shared agency services charges assessed by DOA. Provide that on July 1, 2018, all positions (including incumbent employees holding those positions), assets and liabilities, personal property, and contracts relating to human resource services and payroll and benefit services, as determined by the Secretary of DOA, are transferred to DOA. Provide that incumbent employees transferred to DOA would retain their employee rights and status held immediately before the transfer, and provide that employees transferred to DOA who have attained permanent status would not be required to serve a probationary period.

The administration indicates that, although the positions would be transferred to DOA, the individuals holding those positions would continue to be located at DNR offices but employed by DOA.

Transfer the following functions to the Division of Personnel Management within DOA: (a) human resources; and (b) payroll and benefit services. Provide that DOA may assess agencies for services provided under the shared agency services program in accordance with a methodology determined by DOA. [See "Administration -- Transfers."]

Joint Finance/Legislature: Restore 2.0 SEG positions not related to human services and payroll and benefit services, including 1.0 position related to safety and risk management and 1.0 information systems data specialist position in the Bureau of Finance. (DNR funding of \$156,900 for the positions would be reallocated within the agency budget but result in no net change.)

Further, convert \$33,600 SEG and \$8,600 FED for LTE salaries and fringe benefits to supplies and services to reflect human resources services to be provided by DOA under the bill.

[Act 59 Sections: 73, 9101(9), 9201(1), and 9401(4)]

8. TRANSFER VACANT POSITION TO ADMINISTRATION FOR INFORMATION TECHNOLOGY PURCHASING [LFB Paper 112]

	Funding	Positions
GPR	- \$146,800	- 1.00

Governor/Legislature: Transfer 1.0 vacant senior information and data services position to DOA to consolidate several agencies' information technology and services procurement and purchasing in DOA. Delete \$73,400 annually from DNR's customer service, communications, and aids administration general program operations appropriation associated with salary and fringe benefits for the position. [See "Administration -- Transfers."]

9. TRANSFER VACANT POSITION FOR STATE CONTROLLER'S OFFICE STAFFING [LFB Paper 116]

	Funding	Positions
PR	- \$92,600	- 1.00

Governor/Legislature: Transfer 1.0 vacant financial specialist position to DOA to reflect workload changes resulting from the implementation of the enterprise resource planning system, commonly known as STAR (for State Transforming Agency Resources). Delete \$46,300 annually from the agency's air stationary sources, federally-regulated operation permits appropriation associated with salary and fringe benefits for the position. [See "Administration -- Transfers."]

10. PRINTING, MAILING, AND PUBLISHING ELECTRONIC DISTRIBUTION OPTION

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	- \$2,800	\$2,800	\$0

Governor: Allow the Department to meet its printing, mailing, and publishing requirements by making most materials available electronically as opposed to in hardcopy format, and correspondingly reduce funding by -\$1,400 annually. Exclude from this allowance: (a) legal notices; (b) notices of public hearings before a governmental body; (c) documents requiring a certificate of mailing, or mailing by certified or registered mail; and (d) notices of meetings of private and public bodies as required by law. Give the DOA Secretary the authority to waive particular printing, mailing, and publishing requirements in part or in whole or to waive electronic distribution for DNR, if it is determined that waiving the requirement will reduce spending while keeping the information accessible to the public and protecting the public health and welfare.

Joint Finance/Legislature: Delete provision as a non-fiscal policy item and restore \$1,400 annually.

11. CAR-KILLED DEER FUNDING [LFB Paper 460]

Joint Finance/Legislature: Repeal requirements for DNR to establish a program for the removal and disposal of car-killed deer on state trunk highways (state, interstate, and U.S. highways), and repeal the forestry SEG appropriation for those purposes. (Funding of \$701,400 forestry SEG each year provided in the 2015-17 biennium on a one-time basis is removed as a noncontinuing element under standard budget adjustments.) Transfer responsibility for the removal and disposal of car-killed deer on state trunk highways to the Department of Transportation (DOT). Require DOT to contract for removal and disposal of car-killed deer with counties, municipalities, or private entities. Specify that the removal and disposal of car-killed deer is not a routine maintenance activity reimbursable by funding under DOT state highway maintenance programs. Require DOT to fund contracts for the removal and disposal of car-killed deer from its operations budget under s. 20.395 (4)(aq).

Veto by Governor [E-88]: Delete the requirement that DOT contract for removal and disposal of car-killed deer. In addition, delete the requirement that DOT fund car-killed deer removal contracts from its operations budget and delete the specification that the removal and disposal of car-killed deer is not a routine maintenance activity reimbursable by funding under DOT's state highway maintenance programs. Under the Act, DOT would be required to establish a program for the removal and disposal of deer killed by vehicles on state trunk highways, and car-killed deer removal could be funded from DOT's routine maintenance program.

[Act 59 Sections: 292m and 578ym]

[Act 59 Vetoed Sections: 362n, 578ym (as it relates to contracting requirements), and 1222m]

12. ELIMINATE DEER AND WILD TURKEY CARCASS TAGS

Joint Finance/Legislature: Eliminate the requirement that DNR issue a deer carcass tag when issuing a deer hunting license, including archer, crossbow, gun, or conservation patron license. In addition, the requirement that a person who kills a deer immediately validate the deer carcass tag would also be eliminated. Also, delete the requirement that the member of a group deer hunting party that kills a deer for another member must possess a current unused deer carcass tag authorized for use on the deer killed, and that the person who kills the deer ensure that a member of his or her group deer hunting party validates the deer carcass tag without delay.

Further, specify that the Department may not require the possession or validation of a wild turkey carcass tag and may not require that a carcass tag be attached to a lawfully killed wild turkey. Change the references to a wild turkey hunting "tag" to a wild turkey hunting "authorization" but continue to require such an authorization in order to hunt wild turkey in a wild turkey hunting zone or during a wild turkey hunting season. Finally, eliminate the requirement that a person who, while operating a motor vehicle on a highway, accidentally

collides with and kills a wild turkey have the carcass tagged immediately by a law enforcement officer or notify a law enforcement officer and follow instructions for having the carcass tagged within 24 hours.

[Act 59 Sections: 572b thru 572n, 572o thru 572q, 576g, 576r, 578b thru 578y, 579e thru 581r, and 582r]

13. ELK DAMAGE ABATEMENT

Joint Finance/Legislature: Specify that fencing to prevent elk damage to crops or grasses grown for use by a bird hunting preserve licensed under Chapter 169 of the statutes would be eligible to receive wildlife damage abatement assistance under section 29.889(4)(bn) of the statutes. Further, for damage caused by elk to crops or grasses grown for use by a bird hunting preserve licensed under Chapter 169, specify a participating county may recommend fencing the affected property as a damage abatement measure, notwithstanding provisions that a participating county may recommend only those wildlife damage abatement measures that are cost-effective in relation to the wildlife damage claim payments that would be paid if the wildlife damage abatement measures are not implemented.

[Act 59 Sections: 582m and 582p]

14. WOLF DAMAGE PAYMENTS

Joint Finance/Legislature: Specify that DNR may not prorate claims for damage associated with gray wolves. Require that, in each fiscal year, the Department utilize any applicable federal funds for these damage payments. If federal funds are insufficient, require the Department to utilize endangered resources funds from the general fund or from the endangered resources account of the conservation fund. Specify that, if these funds are insufficient, the Department may request supplemental funding from other Department appropriations under section 13.101 of the statutes, without the finding of an emergency. In addition, amend the appropriation under section 20.370(1)(fs) of the statutes to delete the cap on the amount of endangered resources license plate sales and endangered resources income tax checkoff donations that annually may be used for wildlife damage control and endangered resources wildlife damage claims. Further, specify that DNR pay each claim as soon as practicable after determining the claim is eligible for reimbursement. Specify that these provisions apply if the gray wolf is on the federal or state endangered species list.

Veto by Governor [A-17]: Delete the prohibition on prorating wolf damage claims. In addition, delete the requirement that DNR pay claims from available federal funds first, and delete the amendment of the appropriation under section 20.370(1)(fs) of the statutes related to the cap on the amount of endangered resources license plate and tax checkoff donations that may be used for wildlife damage expenditures.

[Act 59 Sections: 334q, 582g, and 582h]

[Act 59 Vetoed Sections: 239m and 582h (as it relates to federal funding and proration of

claims)]

15. CANADA GOOSE HUNTING

Joint Finance/Legislature: Delete registration of each goose killed at a farm on which Canada goose hunting is allowed as a measure by which DNR may regulate and limit the number of hunters and maximum harvest of Canada geese under section 29.192 of the statutes. In addition, prohibit the Department from: (a) requiring a person to indicate on his or her hunting permit or otherwise record each Canada goose killed by the person; or (b) requiring a person to report to the Department more than once annually each Canada goose killed by the person.

[Act 59 Sections: 572ng and 572nj]

Forestry, Parks and Recreation

1. SUNSET FORESTRY MILL TAX [LFB Paper 465]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG-REV	-\$180,454,900	-\$448,700	-\$180,903,600
GPR-Transfer	\$180,454,900	\$448,700	\$180,903,600

Governor: Specify that, beginning in fiscal year 2017-18, and annually each year thereafter, an amount equal to 0.1697 mills for each dollar of the assessed valuation of the property in the state be transferred from the general fund to the conservation fund for the purpose of acquiring, preserving and developing the forests of the state and for other specified forestry purposes. Create a sum-sufficient GPR appropriation for the transfer and specify that the transfer amounts may be paid at intervals during each fiscal year as deemed necessary by the DOA Secretary.

Specify the current mill rate for the state forestation tax ends with property tax assessments as of January 1, 2017, which would be payable in 2018. Further, require the Department of Revenue (DOR) to create a form for the property tax bills prepared under section 74.09 of the statutes for the property tax assessments as of January 1, 2017, that indicates that the state no longer imposes the forestation state tax. Require the form to indicate the amount of the forestation state tax that the taxpayer paid in the previous year. Remove references to the tax under other sections of the statutes including accrued tax receipts, revenues to the conservation fund, Kickapoo Valley Reserve aids in lieu of taxes, and errors in DOR assessment of counties and taxation districts.

Article 8 §10 (3) of the Wisconsin Constitution authorizes a state forestry tax of up to 0.2

mills (or 20¢ per \$1,000 of property value) for the purpose of acquiring, preserving, and developing the forests of the state. The forestry mill tax is currently 16.97¢ per \$1,000 of value for tax years 2007(08) and thereafter. For a median-valued home of \$155,657, the state tax equaled \$26.41 in 2016(17). This represents 0.9% of the home's estimated net tax bill, assuming the home is taxed at the statewide advantage tax rate.

The bill would sunset the forestry mill tax, or "forestation state tax," effective with the January 1, 2017, property tax assessments. The tax generated approximately \$83 million in fiscal year 2015-16 and provides the majority of revenue to the forestry account of the segregated conservation fund. Instead, the bill would create a sum-sufficient GPR appropriation and specify that an amount of GPR equal to the amount that would have been provided under the forestry mill tax be transferred to the conservation fund annually. The bill estimates this amount at \$88,759,300 in fiscal year 2017-18 and \$91,695,600 in fiscal year 2018-19. The GPR fiscal effect appears under "Shared Revenue and Tax Relief -- Property Taxation."

Joint Finance/Legislature: Adopt the Governor's recommendation, as modified to reflect more recent estimates of the transfer, to sunset the forestry mill tax beginning with the January 1, 2017, property tax assessments, and instead transfer, from the general fund to the forestry account of the conservation fund, an amount equal to 0.1697 mills, for each dollar of assessed valuation of property in the state. In addition, clarify bill provisions to specify the state forestry mill tax will not be imposed beginning with the 2017(18) property tax year.

The transfer would be estimated at \$89,259,600 in 2017-18 and at \$91,644,000 in 2018-19. Changes in each year from original estimates would reflect annual increases (\$500,300 in 2017-18 and \$528,500 in 2018-19) resulting from anticipated higher values of taxable property in the state. The change in the budgeted transfer for 2018-19 also would reflect exemptions of selected items of personal property the bill would create (-\$580,100), resulting in a net decrease of \$51,600 in 2018-19.

[Act 59 Sections: 162, 180, 482, 483, 530 thru 533, 726, 727, 998 thru 1002, and 9138(1)]

2. FORESTRY RADIOS AND EQUIPMENT FUNDING [LFB Paper 466]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$523,400	\$345,000	\$868,400

Governor: Provide \$261,700 forestry SEG annually as ongoing funding for the purchase of forestry radios, dispatch equipment, and maintenance and replacement of forestry radio tower repeater sites. Funding may support annual replacement of 20 portable (hand-held) radios, 12 mobile (vehicle-mounted) radios, two aviation radios, five base station repeaters and one dispatch radio console.

Funding would include \$75,000 annually for tower maintenance and Federal Communications Commission (FCC) licensing of tower sites and base stations. The base stations constitute the Department's public safety communications network and include a system of

towers and equipment that receives and amplifies radio signals to improve reception over long distances. The base station repeater network is used primarily for forest fire detection and control.

In the past, forestry radios and related equipment replacements were done through a master lease process. Most of this equipment was last purchased in 2009. DNR expects ongoing funding would allow the Division of Forestry to more actively manage the equipment in its inventory and avoid large simultaneous failures, as the equipment would be replaced at regular intervals.

Joint Finance/Legislature: Provide \$434,200 forestry SEG annually (agency request) on an ongoing basis for the purchase of funding to replace approximately 100 pieces of forestry equipment per year on a seven-year replacement cycle.

3. FIREFIGHTER SAFETY EQUIPMENT

SEG	\$277,500
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Governor/Legislature: Provide \$152,500 in 2017-18 and \$125,000 in 2018-19 from forestry SEG, on a one-time basis, for the replacement of firefighter safety equipment. Under the provision, \$250,000 over the biennium would support the replacement of 500 fire shelters. The Division of Forestry has been requiring fire shelters for each firefighter since 2008. Fire shelters protect firefighters during emergencies by reflecting radiant heat and trapping breathable air. Fire shelters were last purchased in 2006. If deployed during a fire, the shelters are likely to be removed from service thereafter, but units otherwise have an expected life span of up to 12 years when stored properly. Funding also would provide \$27,500 for the replacement of 250 drip torches, which are tools used in wildfire suppression, controlled burning, and other forestry applications to ignite fires.

4. FORESTRY EQUIPMENT MASTER LEASES

SEG	\$213,800
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Governor/Legislature: Provide \$106,900 forestry SEG as one-time funding in each of fiscal years 2017-18 and 2018-19 for the third and fourth years of four-year master leases for field data recorders for forestry staff and computers for forestry law enforcement personnel. Funding would support: (a) \$76,900 in each year for 165 tablet field data recorders and associated software for forestry staff to gather data electronically and input the data into existing databases; and (b) \$30,000 each year for the purchase of 27 computers and associated equipment for forestry law enforcement personnel.

5. FOREST FIRE AERIAL DETECTION SUPPLEMENT [LFB Paper 466]

SEG	\$68,000
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Governor/Legislature: Provide \$34,000 forestry SEG annually for supplemental aerial forest fire detection efforts. In 2016, the Division of Forestry decommissioned its forest fire lookout towers due to concerns regarding their structural integrity. As a result, the Department expects to increase forest fire aerial detection. Funding would cover 200 hours of aerial

detection, in addition to 300 hours of aerial detection planned using funds previously dedicated to lookout towers.

6. TIMBER SALES DIRECT SALE THRESHOLD AND ADVERTISING REQUIREMENTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	- \$2,800	\$2,800	\$0

Governor: Raise from \$3,000 to \$10,000 the threshold at which state forest, county forest, and community (city, village, town or school district) forest timber sales require public sale. In addition, specify that DNR, a county, city, village, town, or school district is required to announce such a timber sale through a post on the entity's Internet site or through publication of classified advertisements as required under current law. Further, delete \$1,400 forestry SEG annually to reflect anticipated DNR cost savings related to the shifts from classified advertisements to online announcements of state forest timber sales.

Under current law, timber sales from state forests, county forests, and community forests with an estimated stumpage value of \$3,000 or more must be sold through a public sale; county forest sales also may be through closed bid. Sales also are required to be announced through classified advertisement in a newspaper with general circulation in the area of the sale, with two advertisements required for state and community forest sales. Approval of the DNR Secretary also is required for sales of at least \$3,000 from state and county forests. The bill would increase the threshold to \$10,000 and allow DNR, a county, city, village, town, or school district to post the announcement on their website or through the classified advertisements required under current law.

Joint Finance/Legislature: Delete provision as a non-fiscal policy item and restore \$1,400 annually.

7. FOREST FIRE LIABILITY PAYMENTS

Governor/Legislature: Specify that, for the purposes of recovering damages for forest fire suppression expenses from the liable party, the state is considered to have incurred all expenses described under section 26.14(3) of the statutes. In addition, specify that, if the state receives any payment of damages for these forest fire suppression expenses by the liable party, the county's share of certain suppression expenses related to the forest fire is reduced by the amount by which the damages received exceed the state's share of the expenses. In addition require that if, at the time the damages are paid, the county has already paid its share of expenses to the state, the state reimburse the county the amount by which the damages received exceed the state's share of expense.

Under section 26.14(3) of the statutes, the state and the county in which a forest fire occurs

are required to pay an equal portion of certain fire suppression costs, including hourly wages for emergency fire wardens and their employees and equipment operators and other specialists, as well as any meals, transportation, and disbursements for emergency equipment that DNR allows. Currently, any person who sets a fire on any land and allows the fire to escape and become a forest fire is liable for all expenses incurred in the suppression of the fire by the state or town in which the fire occurred. Under current law, the state or the town in which the fire occurred may seek damages for expenses related to suppression of the fire. There is currently no mechanism for a county to seek damages for their forest fire suppression expenses. Currently, if the state (DNR) seeks judgment against a responsible party to recover forest fire suppression expenses related to the fire, the state retains the full amount of the judgment (damages).

Under the bill, if the state receives a judgment for forest fire suppression expenses, the county's share of the fire suppression expenses under section 26.14(3) would be reduced, or the county would be reimbursed, by the amount that the judgment exceeded the state's share of the specified forest fire suppression expenses. However, a county would receive payment only if damages received exceeded one-half of the specified suppression costs.

[Act 59 Sections: 551 thru 553]

8. COUNTY FOREST TIMBER SALE REPORTING REQUIREMENTS

Governor: Require a county to submit to the DNR a report of merchantable wood products cut within 90 days after completion of any county forest cutting operation, including timber trespass, but not more than five years after filing the cutting notice.

Current law requires a county to submit the merchantable wood products report within two years of filing the cutting notice.

Joint Finance/Legislature: Delete provision as a non-fiscal policy item.

9. RELOCATION OF CHIEF FORESTER AND DIVISION OF FORESTRY EMPLOYEES

Governor/Legislature: Require DNR to relocate the headquarters for the chief state forester to an existing Department facility north of State Highway 29 no later than January 1, 2018. In addition, specify that the Department may allow Division of Forestry employees located in the Department office at 101 South Webster Street in the City of Madison as of the bill's effective date to relocate to existing state-owned or state-leased facilities north of State Highway 29 designated by the chief state forester. Further, require DNR to pay relocation expenses as described under s. 20.917(1)(a) of the statutes, for each employee who relocates under this provision during the 2017-19 fiscal biennium. Finally, require DNR to report, by February 1, 2019, to the Governor and the Co-chairs of the Joint Committee on Finance on the number of employees who have relocated.

The chief state forester and some Division of Forestry staff have customarily been located at the Natural Resources State Office Building at 101 South Webster Street in Madison. The bill

would require DNR to relocate the headquarters for the chief state forester to an existing Department facility north of State Highway 29. The bill does not specify a facility. Additional DNR forestry staff in the Madison office would be allowed to relocate to facilities located north of State Highway 29 as designated by the chief state forester, and the Department would be required to pay certain relocation expenses for these staff. Relocation expenses under section 20.917(1)(a) of the statutes include the employee's actual and necessary expense of transporting: (a) the employee and the immediate members of the employee's family to the new place of residence, and (b) the employee's household effects to the new place of residence.

The provision would not directly affect state appropriations, and the Department would be assumed to support all employee relocation costs using existing budget authority.

[Act 59 Section: 9133(2)]

10. MANAGED FOREST LAW CLOSED ACREAGE FEES AND TIMBER SEVERANCE TAXES

SEG	- \$11,886,000
SEG-REV	- \$21,000,000

Joint Finance/Legislature: Specify that managed forest law (MFL) closed acreage fee payments be retained by municipalities and counties (80% retained by municipalities and 20% by counties) rather than deposited in the forestry account. Delete required payments (\$6,000,000 in each of fiscal years 2017-18 and 2018-19) by DNR to municipalities containing land designated as closed under the MFL program.

In addition, require DNR to determine whether the amount in closed acreage fees payable to each county and municipality is less than the amount each received in severance and yield taxes in 2015, and for each county and municipality that will receive at least \$2,000 less in 2018 than it received in 2015, require DNR to pay an amount equal to the difference between the two amounts, no later than March 1, 2018. Provide \$114,000 in fiscal year 2017-18 for these payments.

The MFL program provides a reduced property tax-equivalent liability for persons who manage private forest land under their ownership for future sustainable harvesting. Lands in the program generally are to be open to public use for certain outdoor recreational activities, except if designated as closed. Closed acres are subject to additional fees, which are deposited to the forestry account. Revenues from these payments are estimated at \$10.5 million annually. 2015 Act 358 required DNR in the 2016-17 through 2018-19 fiscal years to distribute certain proceeds from closed acreage fees to municipalities in which closed MFL land is located, in an amount proportional to the amount of closed MFL land in the municipality. The bill as introduced budgeted \$6,000,000 in each year of the biennium for these payments. The provision would delete these amounts, repeal the remission of closed acreage fees to the state, and instead allow municipalities to retain the payments.

Additionally, 2015 Act 358 repealed severance and yield taxes payable to municipalities by owners harvesting timber from land in the MFL and forest crop law programs. Act 358 required DNR to determine whether the amount in closed acreage fees payable to each county and municipality in 2016 was less than the amount each received in severance and yield taxes in

2015, and for each county and municipality receiving less in 2016 than it received in 2015, DNR was to pay each county and municipality an amount equal to the difference between the two amounts, no later than December 1, 2016. Act 358 appropriated \$1.4 million in 2016-17 for these payments. The bill provision would provide \$114,000 in 2017-18 to extend these payments to certain municipalities for that year.

[Act 59 Sections: 334m, 1205m thru 1205p, and 9133(6p)]

11. FORESTRY EMERGENCY RESERVE

SEG	\$5,000,000
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Joint Finance/Legislature: Provide \$5,000,000 forestry SEG in 2017-18 in a new continuing appropriation for response to significant fire, disease, infestation, or other natural disaster for costs not reimbursable under federal programs. Specify funds may be expended only by a majority vote of the Joint Committee on Finance under s. 13.10 of the statutes. (Reserved funds would remain in the forestry account balance and reduce the balance available for appropriation for other purposes.)

[Act 59 Section: 264n]

12. PATTISON COMMUNICATIONS TOWER

SEG	\$1,241,700
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Joint Finance: Provide \$1,241,700 forestry SEG in 2017-18 in a new continuing appropriation for the construction of a communications tower at Pattison Ranger Station in Pattison State Park in the Town of Superior (Douglas County).

The Department requested \$1,241,700 conservation fund SEG-supported bonding for the Pattison communications tower project in its 2017-19 agency capital budget request. However, the State Building Commission did not include the project in its 2017-19 recommendations.

Assembly/Legislature: Adopt the Joint Finance provision, and enumerate the project in the 2017-19 authorized state building program.

[Act 59 Section: 264p]

13. FORESTRY ACCOUNT AUDIT

Joint Finance/Legislature: Request the Joint Audit Committee to direct an audit of the forestry account of the segregated conservation fund focusing on confirming the account and its expenditures support DNR forestry activities. Specify that if an audit is directed, the Legislative Audit Bureau is to file its report, in the manners provided by statute, by June 30, 2019.

[Act 59 Section: 9133(6q)]

14. COUNCIL ON FORESTRY REPORT

Joint Finance/Legislature: Direct the Governor's Council on Forestry to determine the relative priority of current forestry account expenditures and submit a report with these determinations and recommendations regarding forestry account expenditures for the 2019-21 budget to the Governor, DNR, and appropriate legislative standing committees by July 1, 2018.

Veto by Governor [A-15]: Delete provision.

[Act 59 Vetoed Section: 9133(6r)]

15. PARKS FEE INCREASES AND ELECTRICAL CAMPSITE CAP AND FEES [LFB Paper 467]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$0	\$2,000,000	\$2,000,000
SEG-REV	\$3,870,000	- \$325,000	\$3,545,000

Governor: Effective January 1, 2018, specify a range of vehicle admission and camping fees for Wisconsin state parks and forests that the DNR may charge, as determined by the DNR Secretary, as shown in the following table. In addition, the bill specifies that the camping fee changes first apply to camping reservations made beginning on January 1, 2018. The estimated revenue increase shown is based on a preliminary plan offered by the DNR in March, 2017, under which the Department would: (a) increase annual and daily vehicle admissions fees at certain high-attendance parks; and (b) increase daily camping fees for certain high-attendance parks generally during peak camping season (May through October).

Joint Finance/Legislature: Adopt the Governor's recommendation to increase most state park and forest daily parks admission fees by up to \$5 at the DNR Secretary's discretion, but maintain current statutory fees for annual admission. Adopt the Governor's recommendation to increase the range of nightly camping fees in state parks and forests by up to \$10, at the DNR Secretary's discretion. In addition, increase the statutory cap on the percentage of campsites in state parks that may be electrified from 30% to 35%. Further, specify that the nightly fee for electric campsites at the following five high-demand parks be \$15, rather than the current \$10 fee, effective for camping reservations made beginning on January 1, 2018: Devil's Lake, High Cliff, Kohler-Andrae, Peninsula, and Willow River.

Further, create a continuing appropriation from parks account revenues and provide \$1,000,000 in fiscal year 2017-18 and \$1,000,000 in fiscal year 2018-19 in one-time funding for development and maintenance activities on state park properties.

The following table shows fees in place prior to 2015 Act 55 (the 2015-17 budget act), current fees under 2015 Act 55, those under the Governor's bill, and those under Joint Finance Committee action.

State Park and Forest Admission, Trails, and Camping Fees
Under Prior Law, 2015 Act 55, Governor's Bill, and 2017 Act 59

	Prior <u>Law</u>	2015 <u>Act 55</u>	Governor's <u>Bill</u>	2017 <u>Act 59</u>	Act 59 Change to <u>Act 55</u>
<u>State Park Vehicle Admissions</u>					
Resident					
Annual	\$25.00	\$28.00	\$28 to \$38	\$28.00	---
Additional Annual	12.50	15.50	\$15.50	\$15.50	---
Daily Auto	7.00	8.00	\$8 to \$13	\$8 to \$13	up to \$5
Daily Bus	10.00	11.00	\$11 to \$16	\$11 to \$16	up to \$5
Daily Nursing Home Bus	4.00	4.00	\$4 to \$9	\$4 to \$9	up to \$5
Senior Annual	10.00	13.00	13.00	13.00	
Senior Daily	3.00	3.00	3.00	3.00	
Non-Resident					
Annual	\$35.00	\$38.00	\$38 to \$48	\$38.00	---
Additional Annual	17.50	20.50	20.50	20.50	---
Daily Auto	10.00	11.00	\$11 to \$16	\$11 to \$16	up to \$5
Daily Bus	14.00	15.00	\$15 to \$20	\$15 to \$20	up to \$5
Daily Nursing Home Bus	6.00	6.00	\$6 to \$11	\$6 to \$11	up to \$5
Trail Pass					
Annual	\$20.00	\$25.00	\$25.00	\$25.00	---
Daily	4.00	5.00	5.00	5.00	---
<u>State Park and Forest Camping Fees</u>					
Resident, Per Night	\$12 or 15*	\$15 to \$20	\$15 to \$30	\$15 to \$30	up to \$10
Non-Resident, Per Night	14 or 17*	\$19 to \$25	\$19 to \$35	\$19 to \$35	up to \$10
<u>Additional Camping Fees</u>					
Electricity	\$5.00	\$10.00	\$10.00	\$10 or \$15***	\$5 at five high-demand parks***
Water View**	3.00	3.00	3.00	3.00	---
Reservation Fee	9.70	9.70	9.70	9.70	---

*The upper end of these ranges prior to 2015 Act 55 reflect \$3 higher fees for camping at select properties.

**The Department is currently statutorily authorized to waive camping fees, charge additional camping fees, or charge special fees instead of camping fees for certain classes of persons or groups, certain areas, certain types of camping, or times of the year and for admission to special events. Prior to 2015 Act 55, the Department had utilized this authority for several purposes including charging a \$3 fee for water view campsites.

***Act 59 specifies a fee of \$15 for electric campsites at the following five high-demand parks: Devil's Lake, High Cliff, Kohler-Andrae, Peninsula, and Willow River State Parks.

Under section 27.01(15)(b) of the statutes, the number of state park campsites that have electric receptacles maintained by DNR is limited to no more than 30% of all state park campsites (prior to 2009 Act 28, the cap was 25%). Excluding host sites, which do not produce revenue, the Department currently has a total of 3,967 campsites in state parks (1,160 electric and 2,807 non-electric). (Additional campsites are located in southern forests, which are managed by parks staff but not subject to the state park electrical campsite limitation.) The provision would increase the cap on electrical receptacles in state parks from 30% to 35%, which would allow the Department to electrify approximately 200 existing non-electric sites.

[Act 59 Sections: 340m, 557 thru 559, 561 thru 565d, 565f, 9333(2), 9433(1), and 9433(2)]

16. DELETE VACANT FORESTRY OR PARKS POSITIONS
[LFB Papers 466 and 467]

Positions	
SEG	- 10.00

Joint Finance/Legislature: Delete 10.0 vacant forestry or parks SEG positions. Require DOA to provide a report to the Joint Committee on Finance for the Committee's review identifying the deleted positions by funding source and appropriation. Require that the report be submitted by January 1, 2018. Require that the final 2017-19 appropriations schedule reflect funding reductions associated with deleted positions.

Veto by Governor [A-14]: Delete the deadline for the position deletion report. The Governor's veto message requests DOA submit the report by April 1, 2018.

[Act 59 Section: 9101(11u)]

[Act 59 Vetoed Section: 9101(11u) (as it relates to the report deadline)]

17. PARKS RECREATION PASSPORT STUDY AND REPORT

Governor/Legislature: Require DNR and the Department of Transportation (DOT) to jointly develop a plan to authorize the purchase of a recreational passport when an individual initiates or renews his or her annual vehicle registration. Require the plan to include as an option the creation of a recreational passport as a special license plate registration sticker that shows both the vehicle registration expiration year and an indicator that the sticker authorizes the vehicle to enter state parks and forests while the sticker is valid. Additionally, require the plan to include the costs of implementing the plan, a timeline for implementing the plan, and the estimated revenue to be collected when the plan is fully implemented. Further, require the Departments to complete the plan in time for the plan to be included in DNR's 2019-21 budget request.

2015 Act 55 required DNR to study and prepare a report regarding potential additional sources of revenue for parks operations and maintenance. The study was to include, at a minimum, revenue estimates for a program under which a person may voluntarily purchase a state park vehicle admission sticker when the person registers a vehicle with DOT, and revenue estimates for increased camping fees at state parks based on local market conditions or seasonal demand, the amenities or facilities offered by a park, or other features or conditions of a park. The report included four short-term revenue options as well as four long-term options, including the required option of an admission purchase through annual vehicle registrations. According to the report, a \$15 annual admission sticker purchased through annual vehicle registrations could generate approximately \$14.1 million in net revenues if 24% of the approximately 5.1 million noncommercial automobiles and light trucks that could be considered potential subscribers for a state park admission chose to purchase one.

[Act 59 Section: 9133(6u)]

18. PARKS COMPUTERS

SEG	\$94,800
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Governor/Legislature: Provide \$47,400 parks SEG annually as one-time funding in fiscal years 2017-18 and 2018-19 for the final two years of a four-year master lease to purchase 37 tablet computers and associated equipment for parks law enforcement personnel. Funding for the first two years of the master lease was provided under 2015 Act 55.

19. RICHARD BONG RECREATIONAL AREA PHEASANT HUNTING FEES [LFB Paper 468]

SEG	\$200,000
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Governor: Specify that if the Department requires payment of an administrative fee in order to hunt pheasants in the Richard Bong State Recreation Area (Kenosha County), or in a state recreation area, these fees are to be deposited in appropriation 20.370(1)(hw), for pheasant stocking and propagation. In addition, provide \$100,000 annually in the appropriation to reflect anticipated revenue from these fees.

In order to hunt pheasants, a \$10 pheasant stamp is required, in addition to a small game, archer, crossbow, or sports license. Currently, 40% of the revenues generated by the sale of pheasant stamps must be used for developing, managing, preserving, restoring, and maintaining the wild pheasant population in the state, and 60% is used to raise and stock pheasants on DNR lands. In addition, under administrative code Chapter NR 45, DNR charges fees for pheasant hunting at the Bong Recreation Area, including a hunting fee and an administrative fee. The pheasant hunting fee is currently \$12 for adults and \$7 for individuals age 17 or younger, or \$5 if pheasant stocking cannot be done on the previous day or days. The \$3 administrative fee is paid at the time of the hunting reservation request and is non-refundable. Currently, these fees are deposited in the fish and wildlife account of the conservation fund.

Under the bill, revenues from the \$3 administrative fee would be deposited in the pheasant stocking and propagation appropriation, in addition to the 60% of pheasant stamp revenues currently deposited there. While the bill refers to administrative fees for pheasant hunting in Richard Bong State Recreation Area and other state recreation areas, the administration indicates the intent was for all fees collected by the Department under administrative rule for pheasant hunting in Richard Bong State Recreation Area or other state recreation areas to be deposited in the appropriation, and the \$100,000 provided annually is based on that intent. A modification is necessary to clarify this intent.

Joint Finance/Legislature: Modify the Governor's recommendation to specify that if the Department requires payment of a fee in order to hunt pheasants on lands under the Department's ownership, management, supervision, or control, these fees are to be deposited in appropriation 20.370(1)(hw), for pheasant stocking and propagation.

[Act 59 Sections: 242 and 512m]

20. RECREATIONAL VEHICLE REESTIMATES [LFB Paper 469]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$116,600	- \$1,295,600	- \$1,179,000

Governor: Reestimate by \$38,600 SEG in 2017-18 and \$78,000 SEG in 2018-19 the revenue transferred from the transportation fund to the all-terrain vehicle (ATV) account of the conservation fund for ATV trail project aids. The transfer is made annually, and is equal to the number of registered ATVs as of the last day of February of the previous fiscal year multiplied by the amount of motor fuel tax assessed on 25 gallons of gasoline as of that date.

Joint Finance/Legislature: Reestimate snowmobile, ATV, and utility terrain vehicle (UTV) trail aids appropriations to reflect more recent estimates of the amounts available from motor fuel tax revenues. Further, reduce the snowmobile supplemental trail aids appropriation to reflect reestimated non-resident trail pass sales. It should be noted that figures shown in the following table represent current estimates for the listed appropriations; however, DNR is authorized to expend all monies received for these local trail aids appropriations. [See "Miscellaneous Appropriations" for corresponding transportation SEG transfer entries.]

Recreational Vehicle Aids Reestimates

<u>Trail Aids Program</u>	<u>Adjusted Base</u>	<u>2017-18</u>		<u>2018-19</u>	
		Chg. to Base	Final	Chg. to Base	Final
Snowmobile	\$5,270,000	-\$411,300	\$4,858,700	-\$600,000	\$4,670,000
Snowmobile Supplemental	822,500	-22,500	800,000	-22,500	800,000
ATV	2,085,000	-192,900	1,892,100	-154,000	1,931,000
UTV	<u>232,000</u>	<u>104,700</u>	<u>336,700</u>	<u>119,500</u>	<u>351,500</u>
Change to Bill	\$8,409,500	-\$522,000	\$7,887,500	-\$657,000	\$7,772,500

21. SNOWMOBILE TRAIL AIDS

Joint Finance/Legislature: Increase the maximum amount awarded for basic snowmobile trail aids from \$250 to \$300 per mile per year, and increase the threshold for eligible supplemental trail aids regarding grooming costs from \$150 to \$200 per mile per year. In addition, eliminate the June 30, 2019, sunset to make permanent the annual trail use sticker fees currently in effect (\$10, \$30, or \$50 per year, including issuing fees, depending on registration category). Eliminate the June 30, 2020, sunset to make permanent the transfer of \$47 for supplemental trail aids from each trail use sticker issued for a snowmobile exempt from registration.

Further, direct the Governor's Snowmobile Recreational Council to study options for ensuring adequate funding for development and maintenance of snowmobile trails in the state, especially currently unfunded trails, and require that the council report its findings, conclusions,

and recommendations to the Joint Committee on Finance by January 1, 2019.

[Act 59 Sections: 1900sg thru 1900x, and 9133(6f)]

22. RECREATIONAL VEHICLE SAFETY ENHANCEMENT PROGRAM

SEG

\$594,000

Joint Finance/Legislature: Restore funding for the ATV safety enhancement grant program. Require DNR annually to determine the amount necessary to provide funding for the program, and that this amount be the greater of \$297,000 or the amount calculated by multiplying 80¢ by the number of ATVs and UTVs registered as of the last day of February of the prior fiscal year. Estimate funding of \$297,000 in each year of the biennium. Specify that if DNR maintains an administrative account that allocates moneys appropriated from the segregated conservation fund to programs relating to ATVs, DNR is required to treat the amount appropriated for the ATV safety program as an allocation from the administrative ATV account.

In addition, amend program references to ATVs to also include utility terrain vehicles. Also, amend sections 23.33(5m)(c)(5) and (7) of the statutes, regarding duties of ATV/UTV safety enhancement program funding recipients, to: (a) include reference to maintaining relationships with off-highway motorcycle clubs and alliances and other organizations promoting recreational operation of off-highway motorcycles; and (b) require the funding recipients to cooperate with DNR to recruit, train, and manage volunteer trail patrol ambassadors.

[Act 59 Sections: 334g, 521f thru 521v, and 9133(6c)]

Environmental Quality

1. DAM SAFETY BONDING

BR

\$4,000,000

Governor/Legislature: Provide \$4,000,000 in GPR-supported general obligation bonding authority for dam safety grants. No specific estimate of debt service payments is made for the program during the biennium. However, debt service on \$4 million in general obligation bonds could be expected at roughly \$280,000 annually for 20 years once all bonds are issued.

DNR administers the municipal dam safety grant program under s. 31.385 of the statutes. The program provides matching grants to counties, cities, villages, towns and public inland lake protection and rehabilitation districts for the repair, reconstruction, or removal of municipal dams. To qualify for a grant, the locality must own a dam that has been inspected and be under a DNR directive to repair or remove the dam. A total of \$28.1 million in bonding revenues for dam safety grants has been authorized by the Legislature for this program, including \$4 million in each of the last four biennia.

[Act 59 Section: 490]

2. AQUATIC INVASIVE SPECIES EDUCATION AND CONTROL GRANTS

SEG	\$500,000
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Joint Finance/Legislature: Provide \$500,000 conservation SEG (water resources account) in fiscal year 2017-18 in one-time funds for aquatic invasive species education and control grants.

DNR administers a financial assistance program awarding cost-sharing grants to local units of government and other entities for up to 75% of the costs of projects to prevent or control aquatic invasive species, and for education and inspection programs at boat landings. 2007 Act 20 deleted a requirement that projects be awarded only to local government units. This action made any public or private entity eligible for a state grant. Under the provision, \$4,529,100 would be appropriated for the grants in fiscal year 2017-18 and \$4,029,100 would be appropriated in fiscal year 2018-19.

3. ENVIRONMENTAL IMPROVEMENT FUND USE FOR WASTEWATER PERMITTING [LFB Paper 476]

	Funding	Positions
GPR	- \$229,200	- 2.00
SEG	<u>229,200</u>	<u>2.00</u>
Total	\$0	0.00

Governor: Convert \$114,600 GPR annually with 2.0 GPR positions to SEG environmental improvement fund (EIF). Provide the 2.0 positions in water quality operations. The administration indicates the positions would work on wastewater permitting activities, including concentrated animal feeding operations (CAFOs), respond to citizen concerns related to contaminated groundwater and safe drinking water, and provide resources to communities related to water programs. (DNR also intends to reallocate 2.0 previously vacant SEG positions funded by the nonpoint account of the environmental fund from other nonpoint source water pollution program areas to CAFO administration and enforcement beginning in 2017-19.)

Expand the use of the environmental improvement fund administrative appropriations in the Division of Environmental Management and Division of External Services to include wastewater permitting activities under s. 283.31 of the statutes. Currently, the EIF appropriations are authorized to be used for administration of the clean water fund program, safe drinking water loan program, and land recycling loan program under the environmental improvement fund. The source of EIF revenues is interest income from the loan portfolio balance from certain clean water fund loans for municipal wastewater treatment facilities and proceeds from certain general obligation bonds issued to pay state subsidy on loans to municipalities.

Joint Finance/Legislature: Approve the Governor's recommendation. In addition, specify that the 2.0 EIF positions would be transferred to the Division of External Services to be used for wastewater permitting of CAFOs.

[Act 59 Sections: 330, 357, and 537]

4. TRANSFER REVENUE FROM ENVIRONMENTAL MANAGEMENT TO NONPOINT ACCOUNT [LFB Papers 475 and 477]

Governor/Legislature: Transfer \$3,152,500 in each of 2017-18 and 2018-19, on a one-time basis, from the environmental management account to the nonpoint account of the segregated environmental fund. Specify that the funds be considered to have been received by the nonpoint account for debt service payments on projects funded under DNR's current rural and urban nonpoint source pollution abatement grant programs. The provision is intended to offset a reduction in the GPR transfer to the nonpoint account of the same amount beginning in 2017-18. [See the entry under "Miscellaneous Appropriations."]

[Act 59 Section: 9133(1)]

5. NONPOINT SOURCE CONTRACTS [LFB Paper 478]

SEG	\$1,080,000
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Governor/Legislature: Provide \$540,000 nonpoint SEG each year for nonpoint source contracts, including \$40,000 in ongoing funding and \$500,000 in one-time funding in the 2017-19 biennium. Further, repeal the requirement that DNR allocate \$500,000 nonpoint SEG in each fiscal year to the University of Wisconsin-Extension to provide education and technical assistance related to nonpoint source water pollution.

Under current law, DNR is authorized to contract for informational, educational, training or research projects that assist implementation of state nonpoint source water pollution abatement programs. DNR has typically been provided annual funding of \$997,600 nonpoint SEG for these purposes. 2015 Act 55 reduced base funding to \$227,600 each year but also included an additional \$770,000 each year of the 2015-17 biennium on a one-time basis. The bill provides \$767,600 each year for nonpoint source contracts. For purposes of establishing the 2019-21 budget, annual base funding of nonpoint source contracts would be \$267,600.

[Act 59 Section: 1818]

6. NONPOINT SOURCE GRANTS [LFB Paper 478]

SEG	\$200,000
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Governor/Legislature: Provide \$100,000 nonpoint SEG annually in one-time funding for nonpoint source grants. These funds customarily have been allocated by DNR for targeted runoff management (TRM) grants to support non-structural practices required of TRM projects. Additionally, some funds are allocated under a companion program to cost-share the installation of pollution abatement practices at animal feeding operations that have been issued a notice of discharge for impermissible manure or wastewater runoff. Funding of \$100,000 nonpoint SEG for these purposes also was provided on a one-time basis in the 2015-17 biennium.

7. RURAL NONPOINT SOURCE BONDING [LFB Paper 479]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
BR	\$5,900,000	\$250,000	\$6,150,000

Governor: Provide \$5,900,000 in SEG-supported general obligation bonding for rural nonpoint source water pollution abatement grants. Bond proceeds support the targeted runoff management (TRM) program and provide for the installation of structures in rural settings to improve water quality by preventing soil erosion and animal waste runoff. State funding under TRM grants typically may fund 70% of eligible project costs, up to a cap of \$150,000 or \$1 million, depending on the scope of the project. Bonding authority also may be disbursed as grants under a separate program to address runoff only from animal feeding operations that have been issued a notice of discharge (NOD) or notice of intent (NOI) to issue a notice of discharge.

The 2015-17 budget act authorized \$5.9 million in combined additional bonding for the TRM and NOD/NOI programs, while \$7 million was provided in each of the four earlier biennial budget acts, beginning with 2007-09. Principal and interest payments on the bonds are paid from the nonpoint account of the environmental fund. This debt service is budgeted at approximately \$2.3 million SEG in 2017-18 and at \$2.5 million SEG in 2018-19.

Joint Finance/Legislature: Provide an additional \$250,000 in bonding authority, for a total of \$6,150,000 for rural nonpoint grants.

[Act 59 Section: 488]

8. URBAN NONPOINT SOURCE BONDING [LFB Paper 479]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
BR	\$3,000,000	\$700,000	\$3,700,000

Governor: Provide \$3,000,000 in SEG-supported general obligation bonding for the urban nonpoint source and storm water management (UNPS) and municipal flood control and riparian restoration (MFC) programs. UNPS program bonds support structural projects to improve state surface water quality by managing storm water runoff in urban settings. The MFC program provides funding for flood-control or flood-proofing projects in urban settings, including property acquisition and structure removal. UNPS construction projects are eligible for 50% state funding up to \$150,000. MFC projects are eligible for 50% state funding, up to 20% of the amount available each two-year grant cycle. DNR determines allocations to each program over the course of the biennium.

The 2015-17 budget act authorized \$3 million in new joint bonding authority for the programs, while \$5 million was provided in 2013-15, and \$6 million was provided in each of the

three earlier biennial budget acts beginning with 2007-09. Principal and interest payments on bonds issued for the UNPS and MFC programs are supported by the nonpoint account of the environmental fund. This debt service is budgeted at approximately \$3.3 million SEG in 2017-18 and at \$3.5 million SEG in 2018-19.

Joint Finance/Legislature: Provide an additional \$700,000 in bonding authority, for a total of \$3,700,000 for urban nonpoint grants.

[Act 59 Section: 489]

9. MUNICIPAL FLOOD CONTROL GRANT PROGRAM

Joint Finance/Legislature: Amend statutory authorities for the municipal flood control (MFC) program to specify, notwithstanding other current law provisions detailing grant eligibility, an applicant is eligible for financial assistance under the MFC program in the 2017-19 fiscal biennium if an applicant is requesting a state matching grant to support a project funded or executed in whole or in part by the U.S. Army Corps of Engineers under Section 205 of the federal Flood Control Act. Further, provide the state matching grant in an amount sufficient to accomplish the flood-control goals of the project as proposed in the MFC program application, but not to exceed \$14,600,000 in general fund-supported borrowing. Specify that funds are to be awarded from the unobligated bonding authority under the Knowles-Nelson Stewardship program from one or more of the 2014-15, 2015-16, or 2016-17 fiscal years.

Additionally, require that any matching grant given preliminary approval by DNR under these provisions must be submitted to the Joint Committee on Finance for a passive review. If, after 14 working days, the Committee Co-Chairs inform DNR no objection has been raised to the proposal, funding for the project may be released. If the Committee Co-Chairs inform DNR an objection has been raised to the proposal, funds may be released only upon a vote by a majority of the Committee proceeding under s. 13.10 of the statutes. It is anticipated the City of Arcadia in Trempealeau County would be the only eligible grant recipient.

[Act 59 Sections: 514n, 1818g, and 1818r]

10. NORTHEASTERN WISCONSIN TMDL

Joint Finance/Legislature: Require DNR to conduct a total maximum daily load (TMDL) study of the introduction of nutrients into the East and West Twin Rivers, Manitowoc River, Sheboygan River, and any streams that outlet into Lake Michigan between the Ahnapee River (Door and Kewaunee Counties) watershed and the Sauk Creek (Ozaukee County) watershed. Create an appropriation in DNR's Division of Environmental Management and provide \$130,000 water resources account (conservation fund) SEG annually and 1.0 SEG project position to conduct the study. Specify that no funds may be encumbered under the appropriation after June 30, 2021. Require DNR, as part of the study, to do the following: (a) identify the amount of nutrients being introduced into these waters; (b) identify nutrients attributable to nonpoint source pollution; (c) collect water quality data; (d) use

	Funding	Positions
SEG	\$260,000	1.00

modeling and forecasting to determine the effect of different methods on reducing nutrient introduction into these waters; and (e) develop tools to reduce the amount of nutrients introduced into these waters.

[Act 59 Sections: 314d and 1799y]

11. TANTER LAKE WATER QUALITY

SEG	\$65,000
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Joint Finance/Legislature: Provide \$65,000 nonpoint SEG in 2017-18 for a pilot project using biomanipulation to improve water quality of Tainter Lake in Dunn County. The pilot project would include: (a) a comprehensive fish study; (b) removal of zooplanktivorous (algae-eating) and benthivorous (bottom-feeding) fish, such as carp; and (c) introduction of piscivorous (predatory) game fish, such as walleye.

Veto by Governor [A-16]: Delete the requirement to conduct certain activities under the project, but maintain its funding. The partial veto also deletes the reference to the project as a "pilot."

[Act 59 Section: 9133(7p)]

[Act 59 Vetoed Section: 9133(7p) (as it relates to project requirements)]

12. BURLINGTON STORM WATER STUDY

SEG	\$50,000
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Joint Finance/Legislature: Provide the Southeastern Wisconsin Regional Planning Commission (SEWRPC) \$50,000 nonpoint SEG during 2017-18 for the purposes of conducting a storm water management study for the City of Burlington. Specify that the study: (a) identify the location and destination of current storm water flows; (b) identify city property or private property owners that have storm water capacity issues; and (c) provide recommendations to eliminate flooding at several of the city's major businesses.

[Act 59 Sections: 338d and 9133(8t)]

13. BOAT SHELTER SIDING

Joint Finance/Legislature: Allow that boat shelters may have temporary sides made of flexible material with a minimum openness factor of 5% as long as all of the following conditions are met: (a) the sides are placed and maintained by the adjacent riparian landowner, easement holder, or his or her agent; (b) the boat is either registered with the state, or exempt from registration with the state; (c) the boat has a wooden hull, or is designated as a boat with significant historical or cultural value as determined by the Wisconsin Historical Society or a local or county historical society affiliated with the Wisconsin Historical Society; (d) the sides are located entirely within the riparian owner's riparian zone; (e) there are no more than two boat shelters for the first 100 feet of the owner's shoreline footage, and no more than one boat shelter for each additional 50 feet; (f) the structure is no more than 24 feet long, unless the boat is longer

than 24 feet; and (g) the sides are placed at least 36 inches above the water surface.

For the purposes of determining eligible boat shelters, define "shoreline footage" as measured along a straight line connecting points where property lines meet the ordinary high-water mark. Define "riparian zone" for purposes of Chapter 30 (navigable waters) as the area that extends from riparian land waterward to the line of navigation, determined in a way such that riparian zone lines between adjacent owners equitably apportion access to the line of navigation.

Under current law, boat shelters are defined as structures in navigable waters that are designed and constructed for the purpose of providing cover for a berth place for watercraft, and that have a roof but no walls or sides.

[Act 59 Sections: 584g, 584j, and 584m]

14. RIPRAP PERMIT EXEMPTION

Joint Finance/Legislature: Provide an exemption from permitting requirements for the placement of riprap of up to 200 linear feet in rivers and inland lakes, or 300 linear feet in a Great Lakes water body, as long as the following conditions are met: (a) the riprap is clean fieldstone or quarry stone with a diameter of at least six inches and no more than 48 inches; (b) the toe of the riprap does not extend more than eight feet waterward of the ordinary high-water mark; (c) the riprap slope is not steeper than one foot horizontal for each 1.25 feet vertical; (d) the riprap does not rise above 36 inches above the ordinary high-water mark, or above the storm-wave height as calculated using a method established by DNR rulemaking, whichever is higher; (e) the riprap follows the natural contour of the shoreline; (f) filter fabric or clean-washed gravel is used as a filter layer under the riprap; (g) no fill material or soil is placed in a wetland; (h) no fill material or soil is placed below the ordinary high-water mark of any navigable waterway, other than riprap and clean-washed gravel as a filter layer; (i) the riprap is not in an area of special natural resource interest; and (j) the riprap does not interfere with the riparian rights of other riparian owners.

[Act 59 Section: 584r]

15. DEFINITION OF POINT SOURCE

Joint Finance/Legislature: Amend the definition of a point source of water pollution under s. 283.01(12) of the statutes to exclude: (a) agricultural storm water discharges; and (b) return flows from irrigated agriculture. Return flow from agricultural irrigation is drainage water that is not absorbed and that reenters the water system, typically via a surface stream. This provision amends the Wisconsin definition of point source to add language included in the federal definition. 1977 and 1987 amendments to the Clean Water Act modified the federal definition of point sources to include exemptions for agricultural storm water and irrigation return flows.

[Act 59 Sections: 1819m and 1819n]

16. STUDY TRANSFER OF CAFO REGULATORY RESPONSIBILITY

Governor: Require DNR and the Department of Agriculture, Trade and Consumer Protection (DATCP) to jointly study the possibility of transferring the Department's regulatory activities associated with concentrated animal feeding operations (CAFOs) to DATCP. Require the agencies to report their findings to the Governor, Joint Committee on Finance, and other standing committees of the Legislature, as appropriate, by December 31, 2018.

The provision requires the study to consider whether: (a) DATCP may serve as a delegated agent of the U.S. Environmental Protection Agency (EPA) for these regulatory purposes; (b) program operations would be improved by the transfer; (c) the transfer would have a financial impact on the Wisconsin Pollutant Discharge Elimination System (WPDES) permit program; and (d) the Departments would recommend the transfer. The final report must include recommendations for an effective date for the transfer, the number of positions and funding that would be transferred, and a description of the effects of the transfer on each department's administrative rules. The administration indicates such a study should seek to determine whether DATCP would be best suited to carry out larger agricultural regulatory functions in addition to its current regulatory and market-development duties.

CAFOs are defined as large-scale animal feeding operations (1,000 animal units or more, such as 700 milking cows, or 1,000 beef cattle), and smaller-scale animal feeding operations with certain discharges of pollutants into state waters. DNR regulates CAFOs as point sources of water pollution under the WPDES permit program. Program regulations limit manure, feed, and process wastewater from entering state waters. As of May, 2017, DNR reports 294 CAFOs were under permit.

Currently, DATCP administers land and water conservation programs in conjunction with DNR's nonpoint source pollution grant and regulatory programs. DATCP grants fund county land conservation staff and cost-share projects, which assist in implementation of county land and water resource management plans. Activities include cooperation with landowners to employ best management practices for manure and feed storage, installation of conservation practices, and implementation of plans to limit nutrient runoff. DATCP and DNR grants are intended to assist landowners in complying with nonpoint source pollution abatement regulatory standards set by DNR. DATCP administers certain regulatory programs for food safety, recreational establishments, plant and animal health, and agricultural chemical use, and DATCP also administers programs for agricultural market development and promotion.

Joint Finance/Legislature: Delete provision as a non-fiscal policy item.

17. HYDROLOGY STUDY

SEG	\$400,000
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Joint Finance/Legislature: Provide \$400,000 environmental management SEG in 2017-18, in a new, continuing appropriation, on a one-time basis to the DNR Division of Environmental Management. Direct DNR to use the funding to conduct the hydrologic evaluation and modeling included in s. 281.34(7m) under 2017 Act 10 related to high-capacity wells. Act 10 requires DNR to evaluate and model the hydrology of three specified lakes and

allows DNR to evaluate the hydrology of other streams and lakes in a specified designated study area.

[Act 59 Section: 314m]

18. LITTLE PLOVER RIVER GRANT

SEG	\$100,000
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Joint Finance/Legislature: Provide \$100,000 environmental management account SEG in 2017-18 to DNR in a new biennial appropriation. Direct DNR to use the funds to provide a grant to the Village of Plover for the purpose of employing an engineering firm and other experts qualified in wetland restoration and watershed enhancement to design solutions to increase the flow in the Little Plover River. Repeal the appropriation on July 1, 2019.

[Act 59 Sections: 338g, 338m, 9133(7w) and 9433(4w)]

19. GREAT LAKES COUNCIL DESIGNATION OF WATER SUPPLY SERVICE AREA

Governor: Authorize the Great Lakes - St. Lawrence River Basin Water Resources Council to delineate the proposed water supply service areas for a public water supply system making a withdrawal from the Great Lakes basin. Specify that the areas delineated by the Great Lakes Council do not have to be consistent with the approved areawide water quality management plan under current law.

Currently, areawide water quality planning agencies, designated by the Governor under DNR administrative code, develop areawide plans for managing surface water and groundwater, sewer service areas, and public water supply systems. While the bill does not name specific geographical areas, the administration indicates the intent of the provision is to codify in statutes the July 20, 2016, Great Lakes Council approval of the City of Waukesha to draw water from Lake Michigan. It is possible the provision could apply to other public water supply systems in the future.

Joint Finance/Legislature: Delete provision as a non-fiscal policy item.

20. PECFA AWARDS [LFB Paper 480]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$3,800,000	\$2,100,000	\$5,900,000

Governor: Provide \$2,950,000 in 2017-18 and \$850,000 in 2018-19 from the petroleum inspection fund to increase the amount provided for petroleum environmental cleanup fund awards (PECFA). PECFA reimbursements would increase from \$4,550,000 annually (\$9,100,000 in the 2015-17 biennium) to \$7,500,000 in 2017-18 and \$5,400,000 in 2018-19

(\$12,900,000 in the 2017-19 biennium). The PECFA program reimburses for a portion of the cleanup costs of discharges from petroleum product storage systems and home heating oil systems. Under 2015 Act 55, eligibility was eliminated for new sites as of July 20, 2015. The Act also specified that no claims for reimbursement of eligible costs can be submitted after June 30, 2020.

Joint Finance/Legislature: Provide an additional \$2,100,000 petroleum inspection fund SEG in 2018-19 for PECFA awards. This would provide \$7,500,000 each year for awards, equaling \$625,000 per month.

21. AIR MANAGEMENT PROGRAM FUNDING

Governor/Legislature: Delete \$73,200 GPR annually and 0.5 GPR position, and \$19,900 SEG annually and 0.5 SEG position from the petroleum inspection fund, to adjust funding for the air management program as follows:

	Funding	Positions
GPR	- \$146,400	- 0.50
SEG	<u>- 39,800</u>	<u>- 0.50</u>
Total	- \$186,200	- 1.00

a. Convert \$30,000 annually from GPR to petroleum inspection SEG for operation of an ozone air quality monitoring station in Sheboygan. Funding was first authorized for this purpose in 2013 Act 20.

b. Convert \$43,200 annually with 0.5 position from GPR to petroleum inspection SEG for administration of the motor vehicle emission inspection and maintenance program.

c. Delete \$93,100 petroleum inspection SEG annually with 1.0 SEG position related to vapor recovery administration, and repeal the associated appropriation. The federal and state requirements for retail gasoline stations to install vapor recovery systems ended beginning in 2012, and a state grant program to reimburse gasoline stations for costs of removing vapor recovery equipment ended in 2014-15.

[Act 59 Sections: 257, 259, 260, and 1827m]

22. AIR PROGRAM REDUCTIONS

PR	- \$735,800
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Governor/Legislature: Delete \$367,900 annually in program revenue expenditures from the air management program for regulation of stationary sources of air emissions and issuance of operation permits to operate the source. Stationary sources include fixed sources of air pollution, such as factories, power plants, and other business facilities. The reductions would be in expenditures for supplies, including: (a) \$300,000 annually for federally-regulated sources that are required to obtain a permit to operate the source under U.S. EPA requirements; and (b) \$67,900 annually for state-regulated sources that are required under state law, but not federal law, to obtain a permit, or for sources that voluntarily accept permit limits that reduce emissions enough to be regulated under the state program. The Department indicates that expenditure authority would be reduced to reflect expenditure levels in recent years.

23. MAINTENANCE OF AIR MONITOR

Joint Finance/Legislature: Expand the purposes of the DNR air monitoring station appropriation and require that DNR use the appropriation to fund the operation and maintenance of an air quality monitoring station in a county where a sulfur dioxide monitor has been in place for three years as a result of sulfur dioxide monitoring requirements under 40 CFR 51 and the data requirement rule for the 2010 one-hour sulfur dioxide primary national ambient air quality standard published in the Federal Register on April 21, 2015. Authorize the Department to designate the monitor as a special purpose monitor under 40 CFR 58.20. DNR is aware of an air monitoring station that would meet the requirements under the provision beginning on January 1, 2020. The Expera-Kaukauna Thilmany Paper Mill began operating the air monitoring station on January 1, 2017, after installing it to meet requirements of the EPA data requirements rule for 2010 sulfur dioxide national ambient air quality standards. Under the provision, DNR could begin expending money from the appropriation for operation and maintenance of this air monitor as of January 1, 2020 (in 2019-20).

[Act 59 Sections: 259 and 1827L thru 1827n]